

Agenda

Item #5



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

To: Commissioners
From: Jonathan Wayne, Executive Director
Date: January 16, 2012
Re: Request to Investigate Pro-Casino PACs

Summary

Two political action committees (PACs) registered with the Ethics Commission to promote the November 8, 2011 Lewiston casino citizen initiative:

1. Green Jobs for ME (which registered in May 2010, before the petitioning for the initiative), and
2. People of Lewiston and Auburn Committee (which registered about three weeks before the November 8, 2011 election and seems to have provided most of the outreach to voters to support the initiative).

The two PACs appear to be controlled by the same groups of individuals. Stavros J. Mendros was the manager of their campaign activities in support of the initiative. Peter D. Robinson performed the financial reporting by both PACs, although he only served as treasurer for Green Jobs for ME.

Both PACs were required to report the donors which provided the funding for their activities. Together, the PACs reported that they had received roughly \$412,000 from GT Source Corporation, which is a Georgia firm that supplies video slot machines and other video gambling machines.

On December 23, 2011, the Ethics Commission received the attached complaint from CasinosNO! requesting that the Commission investigate whether GT Source Corporation was actually the source of the \$412,000 in contributions reported by the PACs. The complaint raises other reporting issues as well.

On December 28, 2011, the Commission staff sent to the PACs and to GT Source Corporation requests for information and documents that would assist the Commission in deciding whether an investigation is necessary. We received a letter from Mr. Robinson responding to the complaint, but to date, no documents have been provided. The Chief Executive Officer of GT Source Corporation replied that he will not be responding to the Commission staff's request. At this time, the staff suggests that the Commission should continue to request that the PACs voluntarily provide the records requested by staff to verify that the financial reporting by the PACs is correct.

PACs and Business Entities Involved

Green Jobs for ME PAC

Green Jobs for ME was the first PAC formed in support of Lewiston casino citizen initiative. It registered on May 19, 2010. On its registration form, it listed Stavros. J. Mendros as its manager and Peter D. Robinson as its treasurer.

Most of the financial activity of Green Jobs for ME was conducted during the period of June - December 2010, as the casino proponents were engaging in the petitioning process. The funding for the PAC during this first six months of activity came from individuals in the Auburn-Lewiston area who were the local investor-promoters of the casino project (Mr. Mendros, Mr. Robinson, Ronald Chicoine, Timothy & Wendy Poutre, and others).

In February 2011, the Secretary of State verified that Green Jobs for ME had qualified the legislation as a citizen initiative. After the Legislature declined in June 2011 to enact the legislation, Green Jobs for ME made some expenditures during June - September 2011 in anticipation of a political campaign to win voters' approval on November 8, 2011. Then, the PAC ceased financial activity on September 22, 2011.

People of Lewiston and Auburn Committee

Approximately three weeks before the November 8, 2010 election, Mr. Mendros and the casino proponents decided to form a second PAC to promote the initiative. William Welch (former Chief of the Lewiston Police Department) was listed on the PAC's registration as the treasurer of the PAC. Laurent F. Gilbert, Sr., who was the mayor of Lewiston at the time of the election, was listed as a principal officer. Along with Mr. Welch and Mayor Gilbert, Mr. Mendros and Mr. Robinson were listed as primary fundraisers and decision-makers for the new PAC.

Great Falls Recreation & Development, LLC

Great Falls Recreation & Development, LLC (referred to below as "Great Falls") was formed in 2009. Mr. Mendros is the manager of Great Falls. Its principal address is Mr. Mendros' residence at 135 Hogan Road in Lewiston.

Great Falls entered into a June 2010 agreement with the City of Lewiston under which Great Falls obtained an option to purchase Bates Mill Building No. 5 from the City to redevelop as a casino. Under that agreement, Great Falls could assign (sell) its option to a third party, upon the condition that the City approved of the assignee.

GT Source Corporation

GT Source Corporation is based in Kennesaw, Georgia. Its website is not functioning at the time this memo is completed. Past research indicated that the company is a supplier

of video slot machines and other video gambling equipment. In the materials provided by CasinosNO!, Dwayne Graham has identified himself as the Chief Executive Officer of GT Source Corporation.

GT Source's website formerly stated that it was started in 2002 by Pen-Tech Sales, Inc. of Greensboro, North Carolina. Dwayne Graham is the President of Pen-Tech Sales.

M Five, Inc.

Mr. Robinson has described M Five, Inc. as the business entity that was formed in the fall of 2011 which would have applied for a slot machine facility license, if voters had approved the Lewiston casino citizen initiative.

M Five, Inc. filed articles of incorporation with the Maine Secretary of State on September 22, 2011 (attached). The company also filed a document with the U.S. Securities and Exchange Commission (SEC) identifying three directors and officers of the corporation:

- Dwayne Graham
- Scott Nash
- Ryan Hill

The SEC filing states that the principal place of business of M Five, Inc. is 10315 Thornbush Lane, Bethesda, Maryland (attached). An internet search indicates that the address is a residential property in a subdivision in North Bethesda, owned by Ryan Hill.

As noted above, Dwayne Graham is the Chief Executive Officer of GT Source Corporation.

An internet search indicates that Scott Nash appears to be associated with two companies that provide services related to slot machine and other gambling machines (Wild West Gambling and IncentOvation). Both companies have internet websites indicating that their address is 10315 Thornbush Lane in Bethesda, Maryland.

Complaint by CasinosNO!

The complaint submitted by CasinosNO! is largely based on what appears to be a proposed and unexecuted Option Agreement between Great Falls and M Five, Inc. The agreement is signed by all of the members of Great Falls LLC. No representatives of M Five, Inc. have signed the proposed agreement.

In the proposed agreement, Great Falls would grant its option to buy and develop Bates Mill Building No. 5 to M Five, Inc., in exchange for M Five, Inc. making \$600,000 in option payments to Great Falls. In order to exercise its option, M Five would pay \$5,000,000 to Great Falls and would make 40 quarterly payments to Great Falls which equal a percentage of revenue of the casino.

In the view of the Commission staff, the complaint by CasinosNO! attempts to raise three questions of compliance with campaign finance law:

Compliance question #1: Did funding for the pro-casino PACs come from GT Source Corporation, or from another source?

In its reporting, People of Lewiston and Auburn Committee reported receiving four cash contributions totaling \$378, 419.73 from GT Source Corporation:

Contributions from GT Source Reported by People of Lewiston and Auburn and Committee	
10/13/2011	\$25,000.00
10/13/2011	\$140,000.00
10/18/2011	\$160,000.00
10/26/2011	\$53,419.73

This represented 95% of the \$399,083.50 in cash contributions received by the PAC.

In addition, Green Jobs for ME reported receiving three contributions totaling \$33,200 from GT Source Corporation in August-September 2011, before Green Jobs for ME ceased financial activity:

Contributions from GT Source Reported by Green Jobs for ME	
08/12/11	\$5,000.00
09/01/11	\$2,200.00
09/22/11	\$26,000.00

CasinosNO! questions whether GT Source Corporation is the true source for this roughly \$412,000 in funding, based on the proposed Option Agreement. In Section 9.1 of the agreement (page 8), it is proposed that M Five Inc. would promise to

- “develop, plan, manage and pay for any campaign efforts” to promote the casino initiative;
- “sign a consultant’s contract with Dome Messaging of Arlington, Virginia” and
- “contribute at least \$100,000” to Green Jobs for Maine by October 5, 2011 for the Campaign, to be disbursed in the manner recommended by Dome Messaging.”

CasinosNO! relies on this proposed commitment by M Five, Inc. to question whether the source of funding for the \$412,000 reportedly given to the PACs is really GT Source or is actually M Five, Inc., which appears to be a group of individuals or interests.

Compliance question #2: Were payments actually made to Dome Messaging?

In its campaign finance reports, People of Lewiston and Auburn Committee reported making expenditures totaling \$351,345.30 to a consulting firm named Dome Messaging. This represents 88% of all spending by the PAC to promote the initiative. Green Jobs for ME also reported making two expenditures totaling \$23,500 to Dome Messaging in September 2011, before it ceased financial activity.

CasinosNO! contends:

[I]t is impossible to determine who or what Dome Messaging is. The firm has a website (<http://domemessaging.com>) with no information about the company or its principals, and the address for the company turns out to be a blind post office box in a UPS store (see enclosed). A Google search turns up no information on Dome Messaging or any other campaign that the firm has been involved in. ... [W]hat is the reason why the Lewiston casino promoters hired a firm that is cloaked in secrecy to run its campaign?

Mr. Bailey is correct that the only contact information for Dome Messaging on its website is a single e-mail address (information@domemessaging.com). No staff or principals are identified. I saw no phone number or mailing address on the website. My own internet search did not disclose that Dome Messaging was involved by that name in any candidate or ballot question that I could find, other than the Lewiston citizen initiative.

Compliance question #3: Did some source of funds associated with Scott Nash (other than the PACs) make any payments to support the casino initiative?

CasinosNO! cites a pre-election news report by the Maine Public Broadcasting Network that a news reporter attempted to phone Scott Nash, and received an outgoing message that "You have reached the People of Lewiston Auburn Committee." CasinosNO! contends "Nash and M5 apparently expended some resources to support the passage of the Lewiston casino that are unreported on the PAC's finance disclosure form."

Reporting Requirements in Ballot Question Elections

Duty of PACs to File Financial Reports

The primary statutory responsibility of PACs is to file financial reports with the Commission that disclose the contributions it has received (cash and in-kind) and expenditures it has made. (21-A. M.R.S.A. §§ 1060(4) & (6)) With respect to contributions, the statute states "The reports must contain ... [the] [n]ames, occupations, place of business and mailing addresses of contributors who have given more than to the political action committee in the reporting period and the amount and date of each contribution"

Duty of Other Organizations to File Financial Reports

Organizations that do not qualify as PACs are required to register with the Commission as a "ballot question committee" if:

- the organization has received contributions totaling more than \$5,000 for the purpose of initiating or influencing a ballot question campaign; or
- the organization has spent more than \$5,000 for the purpose of initiating or influencing a ballot question campaign – other than by making a contribution to a PAC.

((21-A. M.R.S.A. § 1056-B) So, hypothetically, if GT Source or some other organization had received more than \$5,000 from some other source to make a contribution to a PAC, it would be required to register as a ballot question committee and identify its contributors publicly.

Standard for Conducting Investigations

Under the Commission's statute, "a person may apply in writing to the commission requesting an investigation" concerning "contributions ... to and expenditures by a ... political action committee" (21-A M.R.S.A. § 1003) Under the Commission's rules, all decisions to conduct an investigation are made by the members of the Commission at a public meeting. (Chapter 1, Section 5) The Commission is required by the statute to conduct an investigation "if the reasons stated for the request show sufficient grounds for believing that a violation may have occurred." (21-A M.R.S.A. § 1003(2))

Requests for Information by Commission Staff

On December 28, 2011, the Commission staff sent requests for information to Green Jobs for ME, People of Lewiston and Auburn Committee, and GT Source Corporation. I received a written response from Peter Robinson on behalf of the PACs, discussed below. The PACs have provided no documents to date. I was contacted by an attorney, Mark L. Walker, who has a law office in Hallowell, Maine, who was providing assistance to the PACs in responding. After receiving Mr. Robinson's response, I reiterated the staff's interest in receiving the requested documents, and requested them by January 23 (two days before your meeting). (see attached letter dated January 13, 2012)

On December 28, 2011, I also requested information by letter from GT Source Corporation. I asked the company to confirm whether it made the seven contributions reported by the PACs totaling roughly \$412,000, and whether GT Source had received money from any other source to make the contributions. I also requested payment checks or other documents that would verify that GT Source made the seven contributions. I copied the finance and accounting director of the company on the request to facilitate a response.

Mr. Graham responded by email on January 5, 2012:

Mr. Wayne,

GTSource or myself do not intend to respond to your request at this time. I do thank you for the offer to participate in this request, but I feel that I have spent enough time in trying to help the city of Lewiston and the state of Maine without a positive outcome. The voters have spoken loud and clear and I have moved on.

Again I would like to thank you for your time and service.

Response by Peter Robinson

Mr. Robinson provided a six-page response on January 11, 2012. With regard to the sources of the funding for the PACs, he states that "the funding for the campaign came from GT source." (page 1, bottom paragraph) and "Mr. Graham at GT Source was providing the funding for the campaign." (fourth paragraph, second page)

As noted above, Mr. Robinson identifies M Five, Inc. as a newly formed corporation that would have applied for a slot machine facility license if the initiative had passed. He states that M Five had been negotiating "for many weeks" with Great Falls. He states that "we never finalized a contract with M Five, Inc." and that "I know of no version that was ever signed by anyone on their end."

The response seems to indicate that M Five, Inc. represented a "group", but does not identify any additional individuals, organizations, or investors associated with M Five, Inc. other than the two named in the complaint: Dwayne Graham of GT Source Corporation and Scott Nash. Mr. Robinson explains that "Mr. Nash would have been the one to be the local presence for their group, since he already had business in Maine. As is often the case, each partner in a venture brings something different to the table."

Mr. Robinson does explain some intended activities of Scott Nash in support of the campaign, but his response is unclear as to whether the described activities were Mr. Nash's complete role. He explains that "at the start of the campaign" Scott Nash came to Maine "to see how things were going with the campaign" and that Mr. Nash intended to help with an intended phone bank for the campaign. The local advocates originally rented a large room for the phone bank, but later decided to hire a large call center instead.

With respect to Dome Messaging, Mr. Robinson states that it is "a real company, and a legitimate business that does campaign consulting and media buying in various states." He states that Dome Messaging "is not affiliated with anyone associated with Great Falls, nor anyone associated with M-Five. In fact, it was precisely because Dome was considered an independent, third party, professional campaign consulting firm that Dome was brought on board, at the suggestion of Stavros Mendros, and everyone agreed."

In response to my specific questions, he indicates that he filed reports for both PACs, and that Stavros Mendros managed the initiative, including both the campaign and non-campaign activities. Mr. Mendros made the arrangements with Dome Messaging.

Recommendations by Commission Staff

Compliance question #1: What were the sources of funding for the pro-casino PACs?

Under Maine's campaign finance law, voters are entitled to know who is funding political campaigns to support or oppose ballot questions. Campaign finance laws are in place to provide full and transparent disclosure of who is funding the campaign effort and how the money is being spent. Knowing who is involved and funding the campaign is important information for voters in deciding whether the project deserves their approval.

The staff suggests that the Commission should continue to request the following documents from the PACs:

- the accounting record of all contributions to the PACs (including the name and address of its contributors), which the PACs was required by law to keep under 21-A M.R.S.A. § 1057(3); and
- copies of checks or records of electronic transfers identifying the donor for the funds attributed to GT Source (while this is not a document that PACs are required to keep, this appears to be a relatively easy type of document for the PACs to obtain from their financial institution).

In addition, the Commission may wish to authorize the staff to make continued requests to GT Source Corporation. The staff believes we should determine whether the money came from GT Source's general treasury or from some other source outside the company (which could have required the firm to register and file reports as a ballot question committee).

Compliance question #2: Was Dome Messaging the payee for all payments?

The staff suggests that the Commission should continue to request the following documents from the PACS:

- images of receipts or invoices from Dome Messaging stating the particular services purchased by the PACs, which the PACs was required by law to retain; and
- images of payment checks or electronic transfers made by the PACs to Dome Messaging for a sampling of expenditures (the PACs were not required by law to keep these documents, but they are likely available from the PAC's financial institution).

The Commission may also wish to request from Stavros Mendros the contact information for the person at Dome Messaging who is most familiar with services it provided to the PAC for an interview by Commission staff.

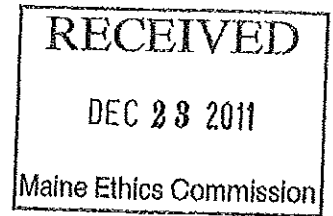
Compliance question #3: Were other sources of funds associated with Scott Nash spent to support the Lewiston casino citizen initiative?

The Commission staff does not recommend any particular action concerning the allegation that some organization other than Scott Nash was spending money independently of the PACs to promote the citizen initiatives. CasinosNO! has provided relatively little evidence supporting this allegation.

Thank you for your consideration of this memo.

CasinosNO!

Don't Gamble Away Maine's Future



Dec. 22, 2011

Jonathan Wayne
Executive Director
Maine Commission on Governmental Ethics and Election Practices
135 SHS
Augusta, ME 04333

Dear Mr. Wayne,

I feel compelled to make a formal complaint on behalf of CasinosNO! against the major supporters of the proposed Lewiston casino. We have several questions about the funding source of two PACs involved in the casino campaign, and would like the Commission to examine the enclosed information to determine if violations of campaign finance laws have occurred.

Toward the end of the 2011 casino campaign, I came into possession of the enclosed document that appears to be an agreement between Great Falls Recreation & Development LLC (the partners involved in the proposed Lewiston casino) and an outfit called M5, which is based in Bethesda, MD. All the members of Great Falls LLC signed the document, but this copy does not include the signatures of the M5 principals.

Among the many provisions of the agreement is the condition on page 8, #9 that states that M5 "shall develop, plan, manage and pay for any campaign efforts to cause the passage of the 2011 Statewide Ballot Measure." In addition, the agreement states that M5 will contract with Dome Messaging of Arlington, Virginia, and contribute "at least \$100,000 to Green Jobs for Maine," the original Lewiston casino PAC.

Neither the campaign finance reports for Green Jobs for Maine or the People of Lewiston and Auburn Committee (the subsequent pro-casino PAC) lists any contributions from M5. However, one of the principals of M5 is a person named Dwayne Graham, according to a report by MPBN (enclosed). Graham is the CEO of a company in Georgia called GT Source, which makes parts for slot machines. GT Source is a major contributor to the Lewiston casino PACs. According to the reports by Green Jobs for Maine and the People of Lewiston and Auburn Committee, GT Source contributed more than \$400,000 to the two PACs.

Our question is, what was the true source of the funds for the PAC? Was it GT Source or M5? Was GT Source merely the conduit of funds from M5, and if so, is that a violation of campaign finance laws?

P.O. Box 4581
Portland, Maine 04112
www.CasinosNo.org

Further complicating the matter, when the reporter for Maine Public Radio attempted to contact Scott Nash, one of other the principals of M5, his answering machine contained a message identifying his office outside Washington, DC as the People of Lewiston and Auburn Committee. Nash and M5 apparently expended some resources to support passage of the Lewiston casino that are unreported on the casino PAC's finance disclosure form.


Also, as the signed agreement stipulates, a company called Dome Messaging was paid by the casino PACs, apparently to manage the campaign. The records show that Dome Messaging of Arlington, VA received approximately \$375,000 to produce and air television ads and create other material. However, it is impossible to determine who or what Dome Messaging is. The firm has a website (<http://domemessaging.com>) with no information about the company or its principals, and the address for the company turns out to be a blind post office box in a UPS store (see enclosed). A Google search turns up no information on Dome Messaging or any other campaign that the firm has been involved in.

What's the point of having campaign finance disclosure laws if it's impossible for the public to determine on those forms who or what is really behind a campaign that is spending hundreds of thousands of dollars to persuade voters in Maine? If M5 and/or Scott Nash (who has had previous dealings in Maine involving slot machines) were behind the campaign for a Lewiston casino, that information would be important to Maine voters prior to the election. And what is the reason why the Lewiston casino promoters hired a firm that is cloaked in secrecy to run its campaign?

Further investigation into this matter will determine if the state's campaign finance laws were intentionally violated in order to keep the names of the people who were actually behind the casino from the public.

Thank you for your attention to this matter.

Sincerely,


Dennis Bailey
CasinosNOI

cc. Walter F. McKee, Chair

P.O. Box 4581
Portland, Maine 04112
www.CasinosNo.org

OPTION AGREEMENT

THIS OPTION AGREEMENT (this "Agreement"), is made and entered into as of this ____ day of September, 2011, by and between **GREAT FALLS RECREATION & DEVELOPMENT, LLC**, a Maine limited liability company with an address at 135 Hogan Road, Lewiston, Maine ("Great Falls") and **M FIVE, INC.**, a Maine corporation with a principal address at 10315 Thornbush Lane, Bethesda, Maryland ("M5").

EXPLANATORY STATEMENT

A. On June 21, 2010, Great Falls and the City of Lewiston, Maine (the "City") entered into an Option Agreement (the "Mill 5 Option;" all capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Mill 5 Option) pursuant to which Great Falls obtained the right to purchase certain real property (the "Option Property") described therein for the purpose of redeveloping the Option Property as a casino and related amenities (the "Project").

B. On August 1, 2011, Great Falls and M5 entered into the Mill 5 Option – Memorandum of Understanding pursuant to which Great Falls and M5 agreed to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of other good and valuable consideration, the parties hereby agree as follows:

1. Option to Acquire the Mill 5 Option.

1.1. In consideration of the option payments described in Section 1.2 below (the "Option Payments") and other agreements of M5 set forth herein, Great Falls hereby grants to M5 the option (the "M5 Option"), at any time during the eighteen (18) month period following the date hereof (the "Option Period"), to acquire the Mill 5 Option. The M5 Option shall be exercisable by M5's sending written notice thereof to Great Falls and by M5's timely making all Option Payments due hereunder, including the final payment described in Section 1.2.5 and compliance with the other terms and conditions of this Agreement. If M5 exercises the M5 Option, closing shall occur not later than ten (10) business days after the date of M5's notice.

1.2. As consideration for Great Falls' grant of the M5 Option and subject to Great Falls' use of the Option Payments set forth in this Section 1.2, M5 shall make the following Option Payments to Great Falls:

1.2.1. Forty Thousand Dollars (\$40,000.00), payable upon execution of this Agreement, Thirty Thousand Dollars (\$30,000.00) of which shall be used to reimburse Great Falls for the payment made to the City on July 31, 2011 under the Mill 5 Option;

1.2.2. Fifty Five Thousand Dollars (\$55,000.00), payable the execution of this Agreement;

1.2.3. Fifty Five Thousand Dollars (\$55,000.00), payable on October 7, 2011;

1.2.4. One Hundred Thousand Dollars (\$100,000.00), payable on December 30, 2011, which sum shall be used by Great Falls to pay to the City the Fourth Option Payment under the Mill 5 Option if the Statewide Ballot Measure passes; and

1.2.5. Subject to Section 1.5 below, Three Hundred Fifty Thousand Dollars (\$350,000.00) payable on the earlier to occur of (a) June 30, 2012, or (b) the date on which M5 applies for a casino license with the Maine Gambling Control Board (the "Board").

1.3. M5's failure to make any of the foregoing payments when due shall automatically result in the termination of the M5 Option. If Great Falls fails to make the disbursements to the City described in Sections 1.2.1 or 1.2.4, resulting in the termination by the City of the Mill 5 Option, Great Falls shall refund to M5 all Option Payments theretofore made by M5.

1.4. Section 13 of the Mill 5 Option permits Great Falls to assign the Mill 5 Option to a third party subject to the "City's written approval which may not be unreasonably withheld, conditioned or delayed." M5 shall seek said approval prior to the exercise of the M5 Option. If the City does not approve the transfer of the Mill 5 Option to M5 in the manner contemplated by this Agreement, M5 shall have the right to assign this Agreement pursuant to Section 9.2 hereof.

1.5. Upon M5's timely making all Option Payments due hereunder, and simultaneously with M5's making the payment required by Section 1.2.5, Great Falls shall assign the Mill 5 Option to Great Falls by delivering an executed Assignment in the form of **Exhibit A** hereto.

1.6. If the City does not approve the transfer of the Mill 5 Option to M5 in the manner contemplated by this Agreement, and if all commercially reasonable efforts to assign this Agreement pursuant to Sections 1.4 and 9.2 are unsuccessful (it being the parties' intention that, because of the political sensitivity of Project, the provisions of this Section 1.6 are a last resort to obtain for M5 the benefits of the Mill 5 Option), Great Falls and M5 agree that the transactions contemplated hereby may, at the option of M5, be effected by the transfer of all of the issued and outstanding equity interests in Great Falls to M5 (the "Equity Transfer") by the owners of the outstanding equity interests (the "Equity Owners," which term shall include any entity formed by the Equity Owners to receive Option Payments and Exercise Payments) in consideration of the Option Payments and Exercise Payments (defined in Section 2 below) paid pursuant to this Agreement. The Equity Transfer shall be carried out by the parties entering into an interests purchase agreement containing customary terms. The Equity Transfer shall be subject to the following terms and conditions:

1.6.1. Other than the change in form of transaction from assignment to Equity Transfer, and the payment of any Exercise Payments to the Equity Owners in proportion to their ownership of Great Falls (instead of to Great Falls), the Equity Transfer shall be subject to the same provisions as the M5 Option is subject to pursuant to this Agreement.

1.5.2. Prior to or concurrently with the consummation of the Equity Transfer, Great Falls shall dispose of all assets other than the Mill 5 Option, and shall satisfy, or make adequate provision therefor, all liabilities, including tax liabilities, other than future obligations under the Mill 5 Option. The Mill 5 Option, and all of the issued and outstanding equity interests of Great Falls, shall be free of liens, encumbrances and liabilities at the time of the Equity Transfer.

1.5.3. Great Falls shall indemnify and hold harmless M5 and its successors and assigns from and against any and all liabilities arising prior to the Equity Transfer associated with Great Falls, including tax liabilities, other than future obligations under the Mill 5 Option.

1.5.4. M5 shall indemnify and hold harmless the Equity Owners, their successors and assigns, from and against any and all liabilities arising after to the Equity Transfer associated with Great Falls, including tax liabilities and future obligations under the Mill 5 Option.

2. Option Exercise Payments.

2.1. As additional consideration for the assignment of the Mill 5 Option, as well as the rights due to the holder of the Mill 5 Option, M5 shall make the following payments (the "Exercise Payments") to Great Falls or to the Equity Owners in the event of an Equity Transfer:

2.1.1. Five Million Dollars (\$5,000,000.00), payable in eight (8) quarterly installments of Six Hundred Twenty Five Thousand Dollars (\$625,000.00), beginning three (3) months after a casino ("Casino") opens to the public for gaming (the "Opening Date") in Lewiston, Maine, as a result of rights granted in the Mill 5 Option (the "Opening Payments"). Great Falls shall have the right to declare all Opening Payments due and payable at once in the event of that M5's failure to make an Opening Payment when due, which failure is not cured within the cure period set forth in Section 6.4 hereof.

2.1.2. Beginning on the 15th day of the first month following the first full calendar quarter in which the Casino has been open to the public for gaming, and on every April 15, July 15, October 15 and January 15 thereafter, until forty (40) payments have been made, a payment equal to the "Applicable Percentage" of "After Cascade Net Revenue" (as defined in Section 2.2 below) (each such payment a "Participation Payment").

2.2. For the purposes hereof, the following terms are defined as follows:

2.2.1. For the first thirty-six (36) Participation Payments, the "Applicable Percentage" shall be Five Percent (5%); for the last four (4) Participation Payments, the "Applicable Percentage" shall be Ten Percent (10%).

2.2.2. "After Cascade Net Revenue" means the following amount, calculated for the immediately preceding quarter:

A - B - C

Where:

A is money played in slot machines and table games at the Casino;

B is all prizes paid out through slot machines and table games at the Casino; and

C is all applicable taxes paid to the Board. "Applicable taxes paid to the Board" does not include any state or federal inheritance, estate, intangible, stock, special, succession, transfer, sales, gift, franchise, corporation, income or profit tax or capital levy.

2.2.3 Interest shall accrue on Exercise Payments not made when due at the State of Maine rate of post-judgment interest and shall be payable on demand.

2.3. Notwithstanding any provision in this Agreement to the contrary, in the event that the Maine Gambling Control Board indicates that it has substantive objections to the amount, form or manner of payments described in Sections 2.1.1 and 2.1.2, Great Falls and M5 shall exercise good faith efforts to develop an alternative means to provide each party with the intended commercial and economic benefits of this Agreement.

3. Closing Under M5 Option.

3.1. At the closing of the acquisition of the Mill 5 Option, Great Falls shall deliver to M5 (a) an Assignment in the form of **Exhibit A** hereto, as contemplated by Section 1.5 above, and (b) such other documents and instruments as M5 may reasonably request in order to enable M5 to obtain good title and full rights to the Mill 5 Option. As security for M5's obligations after closing, M5 shall deliver to Great Falls (a) a first lien position collateral assignment of the Mill 5 Option and (b) a first lien security interest in all assets of M5. The collateral assignment of the Mill 5 Option shall provide that upon the exercise of the Mill 5 Option by M5 with the City, M5 shall grant Great Falls (x) a mortgage and security agreement on the Option Property, and (y) a security interest in all assets of M5, each subordinated to any Senior Lender(s) (defined below), provided, however, that such Senior Lender agrees to give Great Falls notice of any

default of M5 under the terms of M5's indebtedness to the Senior Lender. In the event that Great Falls cures any default of M5 with such Senior Lender, interest on any funds advanced shall accrue thereon at the State of Maine rate of post-judgment interest and shall be payable on demand. In addition, M5 shall exercise commercially reasonable efforts to negotiate a provision in its written agreements with Senior Lender which shall grant Great Falls the first option to purchase the debt between M5 and the Senior Lender in the event of the default of M5 thereunder. So long as Great Falls has a mortgage and security agreement on the Option Property, M5 shall grant no lender a mortgage or security interest in the Option Property other than for a debt the sole purposes of acquiring, developing or constructing the Project, or permanent financing or refinancing thereof. The Option Property shall not be cross-collateralized with any other debt of M5.

3.2. For the purposes hereof, "Senior Lender" shall mean any commercial lender to whom M5 owes any kind of debt for the sole purposes of acquiring, developing or constructing the Project, or permanent financing or refinancing thereof. In any refinancing, so long as Great Falls has not been paid in full, M5 shall not be permitted to increase the loan to value of the Option Property as collateral. Great Falls agrees to execute one or more subordination agreements in customary form evidencing the subordination of its position to a Senior Lender. Notwithstanding the foregoing, any such subordination agreement shall permit regularly-scheduled Opening Payments to Great Falls so long as no event of default has occurred and is continuing under the terms of M5's loan agreements with the Senior Lender.

4. Non-Disclosure.

4.1. As used in this Article 4, the term "Confidential Information" includes any and all of the following information of Great Falls and M5 that has been or may hereafter be disclosed in any form by either party or its representatives (collectively, a "Disclosing Party") to the other party or its representatives (collectively, a "Receiving Party"):

4.1.1. All information that is a trade secret under applicable trade secret or other law;

4.1.2. All information concerning the business and affairs of the Disclosing Party, and all information obtained from review of the Disclosing Party's documents or property or discussions with the Disclosing Party regardless of the form of the communication; and

4.1.3. All information respecting the Mill 5 Option (and the Project to which it relates) or this Agreement.

4.2. Each Receiving Party acknowledges the confidential and proprietary nature of the Confidential Information of the Disclosing Party and agrees that such Confidential Information (a) shall be kept confidential by the Receiving Party; (b) shall not be used for any reason or purpose other than to evaluate and consummate the

transactions contemplated by this Agreement; and (c) without limiting the foregoing, shall not be disclosed by the Receiving Party to any person, except in each case as otherwise expressly permitted by the terms of this Agreement or with the prior written consent of the Disclosing Party. Each Receiving Party shall disclose the Confidential Information of the other party only to its representatives who require such material for the purpose of evaluating and/or effectuating the transactions contemplated by this Agreement.

4.3. Sections 4.1 and 4.2 do not apply to that part of the Confidential Information of a Disclosing Party that a Receiving Party demonstrates (a) was, is or becomes generally available to the public other than as a result of a breach of this Article 4 by the Receiving Party or its representatives; (b) was or is developed by the Receiving Party independently of and without reference to any Confidential Information of the Disclosing Party; (c) was, is or becomes available to the Receiving Party on a nonconfidential basis from a third party not bound by a confidentiality agreement or any legal, fiduciary or other obligation restricting disclosure; or (d) must reasonably be provided to the Board after passage of the 2011 Statewide Ballot Measure in order to effectuate the consummation of the options contained herein and the exercise of the Mill 5 Option.

5. Dispute Resolution.

5.1 The parties hereto hereby irrevocably submit to the exclusive jurisdiction of any federal or state court having original jurisdiction over matters arising in Cumberland County, Maine over any dispute arising out of or relating to this Agreement (excluding the foreclosure of any mortgage or security interest) or any of the transactions contemplated hereby and each party hereby irrevocably agrees that all claims in respect of such dispute or any suit, action or proceeding related thereto shall be heard and determined in such courts.

5.2 Should any proceeding be commenced between the parties to this Agreement seeking to enforce any of its provisions, the prevailing party in such proceeding shall be entitled, in addition to such other relief as may be granted, to a reasonable sum for court costs and attorneys' fees and all legal expenses and fees incurred in such proceeding on appeal and all interest thereon. For the purposes of this provision, "prevailing party" shall include a party which dismisses an action for recovery hereunder in exchange for payment of the sum allegedly due, performance of covenants allegedly breached, or consideration substantially equal to the relief sought in the action or proceeding.

6. Termination. In addition to the automatic termination of this Agreement as set forth elsewhere in this Agreement, this Agreement may be terminated as provided below.

6.1 In the event that the 2011 Statewide Ballot Measure fails to pass, this Agreement shall automatically terminate, Great Falls shall have the right to retain all

Option Payments received and the Mill 5 Option shall be the sole and exclusive property of Great Falls free of any interest of M5.

6.2 M5 may terminate this Agreement by giving written notice to Great Falls at any time prior to the closing in the event Great Falls has breached any material agreement contained in this Agreement in a material respect, M5 has notified Great Falls in writing of the breach and the breach has continued without cure or written waiver of the breach by M5 for a period of seven (7) days after the notice of breach. If M5 terminates this Agreement because of an uncured breach by Great Falls all rights and obligations of M5 under this Agreement will terminate and Great Falls shall reimburse M5 for any Option Payments made hereunder, together with campaign expenses described in Section 9.1 hereof.

6.3 Great Falls may terminate this Agreement by giving written notice to M5 at any time prior to the Closing in the event M5 has breached any material agreement contained in this Agreement in any material respect, or in the event of a default under Article 8 of this Agreement, Great Falls has notified M5 in writing of the breach and the breach has continued without cure or written waiver of the breach by Great Falls for a period of seven (7) days after the notice of breach. If Great Falls terminates this Agreement because of an uncured breach by M5 all rights and obligations of M5 under this Agreement will terminate and the Mill 5 Option shall be the sole and exclusive property of Great Falls free of any interest of M5.

6.4 In addition to the parties' rights to terminate this Agreement and to damages for breach of this Agreement, each party recognizes that in the event a party is in material uncured breach of this Agreement, no remedy of law will provide adequate relief to non-defaulting party, and therefore the parties agree that each party shall be entitled to injunctive relief to cure any such breach without the necessity of proving actual damages.

7. Noncompetition. The member(s), manager(s), employees, partners, joint venturers and agents of M5 and members of their respective families ("families" being defined as spouse and minor children) shall not directly or indirectly invest or take any ownership interest in any other future casino and/or gaming project, casino and/or gaming ballot initiative in the State of Maine until such time as the Mill 5 Option is terminated, expires or is exercised and a Casino has been constructed on the Option Property or in the event that the 2011 Statewide Ballot Measure fails. Notwithstanding the foregoing, M5 shall not be deemed in breach of this Section 7 if any of its member(s), manager(s), employees, partners, joint venturers or agents, or members of their respective families participate with Maine Indian tribes in the expansion of their high stakes bingo operations.

8. Default. Upon the occurrence of any one or more of the following events, M5 shall be in default hereunder: (a) the insolvency of the M5; or (b) the making of any assignment for the benefit of creditors of M5; or (c) the issuance of filing of any attachment, levy, or other judicial process on or against any of the M5's assets which is

not dismissed within thirty (30) days; or (d) the appointment of a receiver, trustee or custodian for all or any portion of the property of the M5 which is not dismissed within thirty (30) days; or (e) the commencement of any proceedings under any state or federal bankruptcy or insolvency law or under laws for relief of debtors, by or against the M5 which is not dismissed within sixty (60) days after the commencement thereof; or (f) the dissolution, business failure (which term includes, without limitation, the cessation of normal business operations) or termination of existence of the M5; (g) the failure of the M5 to pay its debts as they mature (subject to applicable grace periods); (h) any default in the payment by M5 of any sums due under this Agreement when due, or default by M5 in performance of any other obligation under this Agreement, subject to applicable grace periods; (i) default in the payment, satisfaction or performance by the M5 of any condition or obligation under any of the security documents described in Article 3 of this Agreement; or (j). M5's failure to comply with all of Great Falls' obligations to the City under the Mill 5 Option following the assignment thereof.

9. Further Covenants.

9.1. M5 shall develop, plan, manage and pay for any campaign efforts to cause the passage of the 2011 Statewide Ballot Measure. M5 shall sign a consultant's contract with Dome Messaging of Arlington, Virginia in connection with said campaign no later than September 30, 2011 (the "Campaign"). In addition, M5 shall contribute at least \$100,000.00 to Green Jobs for Maine no later than October 5, 2011 for the Campaign, to be disbursed in the manner recommended by Dome Messaging. Notwithstanding the foregoing, if Dome Messaging recommends that M5 contribute \$100,000.00 to one or more recipients other than Green Jobs for Maine, M5 shall not be deemed in breach of this Section 9.1 if it contributes \$100,000.00 to such other recipient(s).

9.2. M5 may not assign any of its rights and delegate any of its obligations under this Agreement or under the Mill 5 Option to any person without the prior written consent of Great Falls (which shall be granted upon the vote of those members of Great Falls holding a majority of outstanding interests), or a majority of the Equity Owners, as the case may be, which consent will not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, M5 may assign its rights under this Agreement and under the Mill 5 Option to an Affiliate (defined below) of M5, provided that any such assignment shall not relieve M5 of its obligations hereunder. Any attempted assignment in contravention of this Section 9.2 shall be void from inception. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the parties. For the purposes hereof, "Affiliate" shall mean, with respect to M5, persons or entities controlling, controlled by or under common control with M5. Any assignee, whether one by prior written consent by Great Falls or an Affiliate, shall assume in a writing approved by Great Falls all obligations of M5 hereunder.

9.3. Great Falls agrees (at its own cost) to perform (or procure the performance of) any and all acts and things, and execute and deliver (or procure the execution and delivery of) such further documents, as may be required to (a) maintain the

validity of the Mill 5 Option, (b) to implement and/or give effect to this Agreement and the transactions contemplated by this Agreement, (c) upon exercise of the M5 Option, to vest in M5 the Mill 5 Option and the full benefit of the rights associated therewith, and (d) to obtain from the Board any licenses necessary that Great Falls is required to obtain in order for M5 to develop the Project and build and operate the Casino.

9.4 M5 agrees to undertake commercially reasonable efforts to become licensed to operate the Casino by the Board and to open the Casino no later than December 1, 2013 (the "Target Date"). Regardless of whether the Casino is open by the Target Date, M5 shall begin to make payments in the amount of \$50,000.00 per month beginning on the Target Date, and on the like day of each month thereafter until the Casino is open. The monthly payments of \$50,000.00 shall be applied without interest to the Opening Payments. Great Falls shall have the right to declare all Opening Payments due and payable at once in the event of that M5's failure to make a \$50,000.00 payment when due, which failure is not cured within the cure period set forth in Section 6.4 hereof. Interest shall accrue on the \$50,000.00 not made when due at the State of Maine rate of post-judgment interest and shall be payable on demand. In the event that the Board denies M5 the license to operate the Casino, M5 shall have the right to assign this Agreement pursuant to Section 9.2. Notwithstanding the foregoing, if M5's efforts to obtain a casino license, or the opening of the Casino, are delayed beyond the Target Date due to injunction, strike, litigation, force majeure, challenges to the referendum, or any other event beyond M5's control, M5 shall provide prompt notice of such event to Great Falls and the Target Date shall be deferred by a period of time equivalent to the delay caused by such event.

10. Miscellaneous.

10.1. Each of the parties represents to the others that it has the right and lawful authority to enter into and be bound by this Agreement and, except for consents required from the City, the passage of the 2011 Statewide Ballot Measure, and any permits required by the Board, no consent or approval of any person is or will be necessary to ensure the validity of the rights created hereunder.

10.2. Great Falls' right, title and interest in and to the Mill 5 Option is and shall be free and clear of all liens, encumbrances or rights in others.

10.3. All notices, communications and deliveries hereunder shall be made in writing signed by the party making the same, and shall be delivered personally, or by telecopy transmission or sent by registered or certified mail or by any courier service (with postage and other fees prepaid). Notices shall be deemed to have been given and received as follows: (i) if delivered personally or by any courier, on the date of delivery; (ii) if sent by registered or certified mail, on the fourth day after it was mailed; and (iii) if by telecopy transmission, the date of its transmission; provided that in each case if the date of the deemed delivery is not a business day, then such notice shall be deemed to have been given and received on the first business day next following the date of deemed receipt.

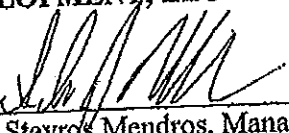
10.4. This Agreement shall be governed in all respects by the laws of the State of Maine. Time is of the essence in the performance of this Agreement.

10.5. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one and the same instrument.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, each Party has caused this Agreement to be executed
as a deed by its duly authorized representative as of the date first written above.

**GREAT FALLS RECREATION &
DEVELOPMENT, LLC**

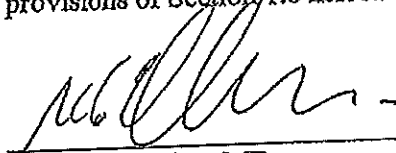
By: 
Stavros Mendros, Manager

M FIVE, INC.

By: _____
Its: _____
Print/type name: _____

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

The undersigned members of Great Falls execute this Agreement for the purposes of (a) representing and warranting that their membership interests in Great Falls are free and clear of all liens and encumbrances, (b) agreeing that they shall neither encumber their membership interests in Great Falls or the Mill 5 Option, and (c) consenting to the provisions of Section 1.6 hereof.



Ronald Chicoine, MD

Florentia Mendros

Peter Robinson

Timothy Poutre, MD

Wendy Poutre

Elizabeth Tracey

Steve Roop

R. Kenneth Lindell

Peter Mars

John Buck

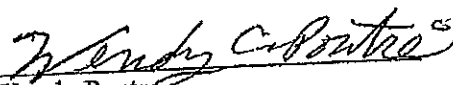
Stavros Mendros

1964819

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Ronald Chicoine, MD

Peter Robinson

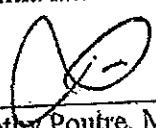

Wendy Poutre

Steve Roop

Peter Mars

Stavros Mendros

Florentia Mendros



Timothy Poutre, MD

Elizabeth Tracey

R. Kenneth Lindell

John Buck

1964819

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Florentia Mendros

Peter Robinson

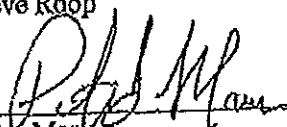
Timothy Poutre, MD

Wendy Poutre

Elizabeth Tracey

Steve Rogop

R. Kenneth Lindell


Peter Mars

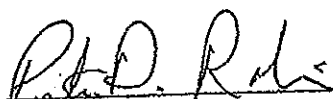
John Buck

Stavros Mendros

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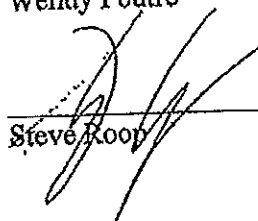
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Ronald Chicoine, MD



Peter Robinson

Wendy Poutre




Steve Koop

Peter Mars



Stavros Mendros

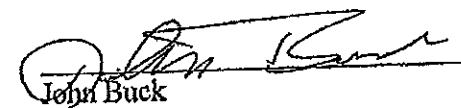


Florentia J. Mendros

Timothy Poutre, MD

Elizabeth Tracey

R. Kenneth Lindell



John Buck

1964819

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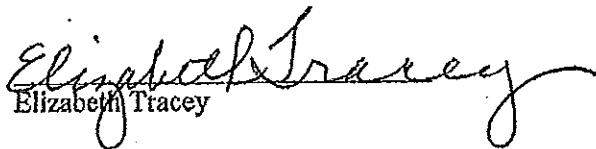
Ronald Chicoine, MD

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Wendy Poutre


Elizabeth Tracey

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Peter Mars

John Buck

Stavros Mendros

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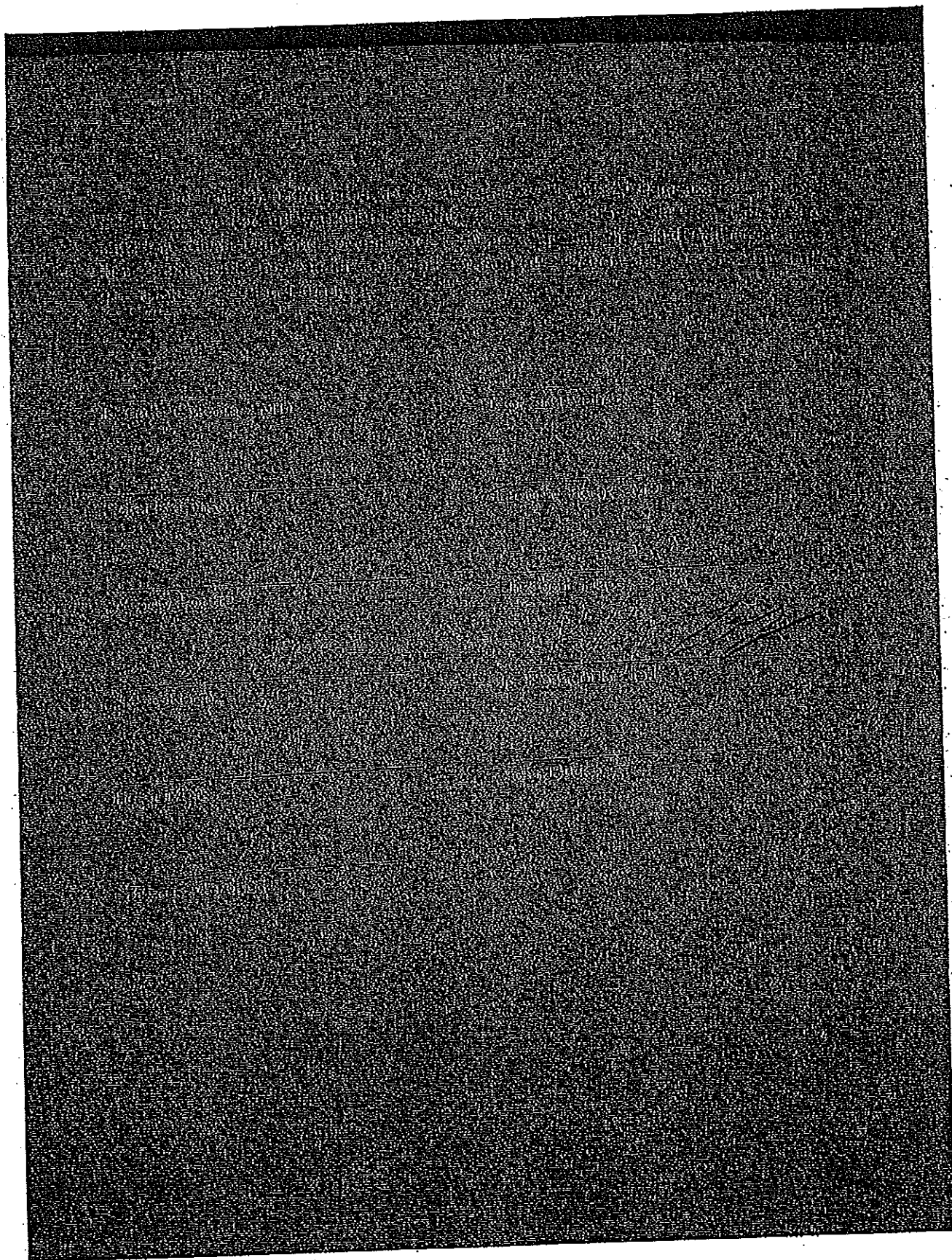


EXHIBIT A

ASSIGNMENT

THIS ASSIGNMENT (this "Assignment") is made and entered into by and between **GREAT FALLS RECREATION & REDEVELOPMENT, LLC**, a Maine limited liability company (the "Assignor"), and **M FIVE, INC.**, a Maine corporation (the "Assignee").

RECITALS

A. Assignor has entered into the Option Agreement between the City of Lewiston, Maine (the "City") and Assignor (the "Mill 5 Option"; all capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Mill 5 Option dated June 21, 2010;

B. In connection with the Mill 5 Option, Assignor has obtained the right to purchase certain real property (the "Option Property") described therein for the purpose of redeveloping the Option Property as a casino and related amenities;

C. Pursuant to an Option Agreement between Assignor and Assignee dated August __, 2011 (the "M5 Agreement"), Assignor has agreed to assign the Mill 5 Option to Assignee for the consideration specified therein;

D. Section 13 of the Mill 5 Option permits Great Falls to assign the Option Agreement to a third party subject to the "City's written approval which may not be unreasonably withheld, conditioned or delayed;" and

NOW THEREFORE, for the mutual covenants and premises stated herein, and other good and valuable consideration, Assignor and Assignee agree as follows:

1. Effective immediately, for the consideration set forth in the M5 Agreement, and subject to all of the representations, warranties and covenants set forth in the M5 Agreement, Assignor hereby assigns, transfers, and conveys to Assignee the Assignor's right, title and interest in, to, and under the Mill 5 Option.

2. Effective immediately, Assignee hereby assumes and agrees to pay, perform and discharge the obligations and liabilities of Assignor under the Mill 5 Option and agrees to pay, perform and discharge the obligations and liabilities of Assignee under the M5 Agreement.

3. Notwithstanding the foregoing, the effectiveness of this Assignment shall be contingent upon the City's giving its written consent to the assignment contemplated hereby:

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Assignor and Assignees have duly executed this Assignment, under seal, effective the ____ day of _____, 2012.

**GREAT FALLS RECREATION AND
DEVELOPMENT, LLC**

By: _____
Its: _____
Print/type name: _____

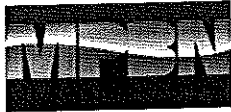
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Its: _____
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By: _____
Its: _____
Print/type name: _____

M FIVE, INC.

By: _____
Its: _____
Print/type name: _____

1964819



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2

Questions Raised About Potential Lewiston Casino Partner

11/03/2011 Reported By: Susan Sharon

Just days before voters head to the polls, there are new questions being raised about who is behind the effort to develop a proposed casino in downtown Lewiston. A group of local investors who helped get the measure on the ballot say they haven't signed a contract with a casino operator. But an unofficial, confidential agreement apparently signed by several of the principals appears to show they've made an offer. And the potential partner is raising red flags with casino critics.

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The most recent campaign spending reports filed with the Maine Ethics Commission show a Georgia-based company called GT Source has sunk more than \$325,000 into passage of Question 3, the Lewiston casino. GT Source stands for "Gaming Technology Source." According to its website, the company is a "complete hardware solutions provider" for the gaming industry.

CEO Dwayne Graham did not return a telephone call to MPBN for this story. But in an interview with the Lewiston Sun Journal, Graham said he is helping finance the campaign because his company sees the proposed casino as a way to sell slot machines in Maine, something that one casino critic says is not uncommon.

"GT Source made our illustrious list of predatory partners," says Les Bernal, the executive director of a national group called the "Stop Predatory Gambling Foundation," that tries to show how the government's promotion and profiting from gambling has been a failure.

"We essentially went through and identified all of these companies in America that the public knows virtually nothing about, who are really big players in driving this massive government predatory gambling program, running essentially the best something-for-nothing scheme ever invented."

An SEC filing shows GT Source's Dwayne Graham is also one of the principals of a company called M Five Inc. And in documents obtained by MPBN, M Five appears to be a potential gaming partner with the local investment group known as Great Falls Recreation and Development.

The agreement, which appears to show the signatures of members of the local group, but not the M Five principals, suggests that M Five would pay \$5 million for the operation of the casino out of a downtown mill building, as well as a share of the casino profits to the Great Falls partners in the future.

Dr. Ron Chicoine, one of the local investors, says his group has not signed a contract for any deal. As for making an offer, Chicoine had this to say: "Eventually we're going to be looking to work with professionals who know this business, but right now we have no signed contract with anybody. Any deals or offers we would make would be confidential and when they were completed, then we'd have two parties signing on it, you know?"

Two of the other partners listed as principals of M Five are Scott Nash and Ryan Hill. Nash is listed a vice president at a Washington D.C. area company called Incentovation, which was previously involved in an effort to bring electronic pull tab machines to the Penobscot Nation for use in high stakes beano.

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LePage Pays Surprise Visit to Committees Tackling Budget Shortfall

David Farmer and 13 others recommend this.



The Year in Books
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Facebook social plugin

Last year former Maine Attorney General Janet Mills found that the machines were outside the scope of what the tribe is permitted to operate, so the system was never licensed. Attempts to reach Scott Nash at his office were unsuccessful, but the recorded message on his answering machine appears to show he is also tied to the Lewiston casino campaign.

Scott Nash answering machine: "You've reached the People of Lewiston Auburn Committee, please leave a message, or if you'd like to sign, please leave your address. Thank you."

The People of Lewiston Auburn Committee is the political action committee that GT Source has invested more than \$300,000 in so far. Dennis Bailey, of CasinosNo, says the possible involvement of M Five should raise a red flag for voters since the company has spent much more on the casino effort than any of the local investors.

"They're being sold this casino--as we've seen in other campaigns--sold it, basically, as a local effort by local investors, by local residents and people in the community, and come to find out, in this case it appears that it's already been sold, or at least they have an agreement to sell this to an outside source that we know nothing about."

Lewiston Mayor Larry Gilbert, who is the spokesman for the casino campaign, says he has no knowledge of M Five or a possible deal with local investors. And he points out that the Lewiston City Council must approve any potential developer of the building, and the state will have the final say on any casino operator.

"So whoever will be the licensee has to go through a stringent licensing process, so certainly the state of Maine and the Lewiston City Council will be very vigilant in their process," Gilbert says.

The casino, which already has the support of the Lewiston City Council, is expected to generate about \$1 million a year for the city if it is approved by voters statewide.

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Sun Journal

Georgia-based slot machine maker helps back Lewiston casino campaign

By Scott Thistle, Regional Editor

Published on Sunday, Oct 23, 2011 at 12:12 am | Last updated on Sunday, Oct 23, 2011 at 12:12 am

2

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LEWISTON — A group hoping to set up a casino in Bates Mill No. 5 has received its first batch of corporate donations from an out-of-state company, according to state campaign finance reports.

Green Jobs for ME, a political action committee chaired by Stavros Mendros and formed to support bringing a casino to Bates Mill No. 5, is being partially funded by a Georgia-based maker of slot machines and other gaming equipment, a report on file with the Maine Ethics Commission shows.

Dwayne Graham, chief executive officer of GTSOURCE Corp., a Kennesaw, Ga. company said Friday his company was helping finance the campaign because he liked the concept of revitalizing the mill and making the downtown more vibrant.

Graham also said his company saw the proposed casino as a chance to sell machines in Maine.

"That's what we would hope, it would be a new market for us to go into," Graham said. Graham said he visited the city in the spring and summer and liked what he saw, he also liked that much of the revenue from the casino would go to good causes.

"I fell in love with the place," Graham said. "I'm from a small town myself and I liked that much of the casino revenue would be going back into the community to things like veterans groups, Meals on Wheels and those kind of programs."

Voters statewide will decide a ballot question in November that, if approved, would legalize a casino with slot machines and table games in Lewiston's downtown.

So far Green Jobs for ME has been funded by individuals, most of them principal investors in the company that would set up and own the casino, Great Falls Recreation.

Graham said he hoped to help the campaign financially but said he wouldn't disclose how much.

"We're looking to help out as much as we can, but I do have a limit and I'm not going to discuss what that is."

In its Oct. 5 filing Green Jobs for ME reports GTSOURCE donated \$33,200 to the campaign in August and September.

Those donations came in three payments including a \$5,000 payment on Aug. 12, a \$2,200 payment on Sept. 1 and a \$26,000 payment on Sept. 22.

In early October Mendros said that a slot machine manufacturing company would help bankroll the campaign in exchange for the rights to install its machines in the Lewiston casino, were it approved by voters.

Meanwhile another company, Dome Messaging, appears for the first time on the expenditure side of the PAC's required financial reports.

The reports do not show who owns Dome and the company's Web site is registered anonymously via a Web-hosting company in Pennsylvania under the first name, "oneanddone."

According to the reports, Dome was paid \$23,500 in planning fees. The company is listed as having an Arlington, Va. address. The address is home to a UPS Store. A clerk at the store said Dome rents a mail box there but state and federal law prevented him from releasing information on who the mail box was rented to.

A clerk with the state of Virginia's Corporations Commission said Dome did not appear to hold any official papers of incorporation and was not registered as doing business in Virginia.

A check with the City of Arlington also showed the company had no business licenses with the city, but a clerk also said if it was operating out of mailbox it would not be required to. The same clerk said if the company was collecting money in Virginia, however, it should be registered with the state for state tax purposes.

The company's Web site has only an email address for contact information and a message sent to it was not returned.

Mendros said Friday Dome was hired by the PAC and was based in Arlington, Va. and has been involved in polling and buying advertising time. Mendros said he mostly deals with the company online.

Other reports filed by the PAC in 2011 show that it has been funded largely by private donors and that the bulk of its expenditures were paid to Olympic Consulting, a company owned and operated by Mendros. In 2011 the PAC paid Olympic \$25,000 for its services including an \$8,000 bonus for the 2010 signature gathering campaign that put the Lewiston casino question on the ballot this fall.

Lewiston Mayor Larry Gilbert, a spokesman for the PAC, said he was aware GTSource Corp. was going to be donating money and that company representatives had visited Lewiston and toured Bates Mill No. 5.

Gilbert said they toured the building with City Manager Ed Barrett and other city staff liked what they saw but he did not meet personally with Graham or other GTSource executives.

Gilbert reiterated his support of the casino downtown saying for him it was all about bring jobs to Lewiston-Auburn, the region and representing the 66 percent of Lewiston voters who supported the idea to bring a casino to Bates Mill No. 5 in a citywide vote in 2010.

sthistle@sunjournal.com

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2011 CAMPAIGN FINANCE REPORT
FOR POLITICAL ACTION COMMITTEES

COMMITTEE INFORMATION		
PEOPLE OF LEWISTON AND AUBURN COMMITTEE 134 MAIN STREET LEWISTON, ME 04240		TEL: (207)402-5401 FAX: EMAIL: mayorgilbert@yesforlewiston.org
TREASURER		
WILLIAM WELCH 134 MAINE STREET LEWISTON, ME 04240		TEL: (207)402-5401 EMAIL: chiefwelch@yesforlewiston.org
TYPE OF REPORT	DUE DATE	REPORTING PERIOD
42-DAY POST-GENERAL	12/20/2011	10/26/2011 - 12/13/2011
NO FINANCIAL ACTIVITY IN THIS REPORTING PERIOD FOR SCHEDULES C, D		
CERTIFICATION		
<p>I, WILLIAM WELCH, CERTIFY THAT THE INFORMATION CONTAINED IN THIS REPORT IS TRUE, ACCURATE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.</p> <p>REPORT FILED BY: WILLIAM WELCH REPORT FILED ON: December 20, 2011</p> <p>IF THIS REPORT IS FILED BY AN AUTHORIZED AGENT OF THE COMMITTEE, THE TREASURER AND AGENT ARE LIABLE FOR ANY VIOLATIONS OF MAINE CAMPAIGN FINANCE LAW (21-A M.R.S.A. CHAPTER 13) AND THE COMMISSION'S RULES THAT MAY RESULT FROM THE FILING OF A FALSE OR INACCURATE REPORT.</p>		

UNSWORN FALSIFICATION IS A CLASS D CRIME (17-A M.R.S.A. § 453).

PEOPLE OF LEWISTON AND AUBURN COMMITTEE

SCHEDULE A CASH CONTRIBUTIONS

- For contributors who gave more than \$50, the names, address, occupation, and employer must be reported. If "Information requested" is listed instead of occupation and employer, the candidate is waiting to receive that information.
- Cash contributions of \$50 or less can be added together and reported as a lump sum.
- Contributor Types

1 = Individuals	4 = Party Committees
2 = Commercial Sources	5 = Candidate Committees
3 = Political Action Committees	6 = Unitemized Contributions

DATE RECEIVED	CONTRIBUTOR	OCCUPATION AND EMPLOYER	TYPE	AMOUNT
10/28/2011	GREAT FALLS RECREATION & REDEVELOPMENT, LLC P.O. BOX 641 LEWISTON ME 04240		2	\$19,898.34
10/26/2011	GT SOURCE 1640 AIRPORT ROAD SUITE 105 KENNESAW GA 30144		2	\$53,419.73
TOTAL CASH CONTRIBUTIONS ⇒				\$73,318.07

PEOPLE OF LEWISTON AND AUBURN COMMITTEE

**SCHEDULE A - 1
IN-KIND CONTRIBUTIONS**

- In-kind contributions are goods and services (including facilities) that a committee received at no cost or at a cost less than the fair market value. They include all goods and services purchased for the campaign by the committee or supporters if the campaign does not expect to reimburse the committee or supporter. These contributions may come from the committee, supporters, PACs, party committees, or other entities.
- For contributors who gave more than \$50, the name, address, occupation, and employer must be reported. If "information requested" is listed instead of occupation and employer, the committee is waiting to receive that information.
- In-kind contributions of \$50 or less can be added together and reported as a lump sum.
- If the committee received a discount on goods and services, the amount of the discount must be reported as an in-kind contribution.
- Contributor Types

1 = Individuals	4 = Party Committees
2 = Commercial Sources	5 = Candidate Committees
3 = Political Action Committees	6 = Unitemized Contributions

DATE RECEIVED	CONTRIBUTOR	OCCUPATION AND EMPLOYER	DESCRIPTION (of goods, services, facilities, or discounts received)	TYPE	VALUE (estimated fair market value)
10/27/2011	HILTON GARDEN INN 14 GREAT FALLS PLAZA AUBURN ME 04210		FUNCTION ROOM	2	\$830.00
11/08/2011	HILTON GARDEN INN 14 GREAT FALLS PLAZA AUBURN ME 04210		FUNCTION ROOM	2	\$830.00
TOTAL IN-KIND CONTRIBUTIONS ⇒					\$1,660.00

PEOPLE OF LEWISTON AND AUBURN COMMITTEE

SCHEDULE B **EXPENDITURES TO SUPPORT OR OPPOSE**

EXPENDITURE TYPES				
CNS	Campaign consultants	POL	Polling and survey research	
CON	Contribution to other candidate, party, committee	POS	Postage for U.S. Mail and mail box fees	
EQP	Equipment (office machines, furniture, cell phones, etc.)	PRO	Other professional services	
FND	Fundraising events	PRT	Print media ads only (newspapers, magazines, etc.)	
FOD	Food for campaign events, volunteers	RAD	Radio ads, production costs	
LIT	Print and graphics (flyers, signs, palmcards, t-shirts, etc.)	SAL	Campaign workers' salaries and personnel costs	
MHS	Mail house (all services purchased)	TRV	Travel (fuel, mileage, lodging, etc.)	
OFF	Office rent, utilities, phone and internet services, supplies	TVN	TV or cable ads, production costs	
OTH	Other	WEB	Website design, registration, hosting, maintenance, etc.	
PHO	Phone banks, automated telephone calls	Only these expenditure types require a remark: CNS, OTH, PRO.		

DATE OF EXPENDITURE	PAYEE	REMARK	TYPE	AMOUNT
10/29/2011	OLYMPIC CONSULTING P.O. BOX 641 LEWISTON, ME 04243		SAL	\$5,084.00
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/01/2011	THE MAINE EDGE P.O. BOX 2639 BANGOR, ME 04402		PRT	\$976.00
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/01/2011	TWIN CITY TIMES 33 DUNN STREET AUBURN, ME 04240		PRT	\$1,026.00
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/01/2011	DOME MESSAGING 2776 S. ARLINGTON MILL DRIVE SUITE ARLINGTON, VA 22206		PHO	\$739.10
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			

11/02/2011	DOME MESSAGING 2776 S. ARLINGTON MILL DRIVE SUITE ARLINGTON, VA 22206		PHO	\$45,130.66
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/03/2011	DOME MESSAGING 2776 S. ARLINGTON MILL DRIVE SUITE ARLINGTON, VA 22206		TVN	\$44,645.00
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/03/2011	DOME MESSAGING 2776 S. ARLINGTON MILL DRIVE SUITE ARLINGTON, VA 22206		TVN	\$64,504.94
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/03/2011	DOME MESSAGING 2776 S. ARLINGTON MILL DRIVE SUITE ARLINGTON, VA 22206		WEB	\$1,000.00
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/03/2011	DOME MESSAGING 2776 S. ARLINGTON MILL DRIVE SUITE ARLINGTON, VA 22206		RAD	\$660.00
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/05/2011	DOME MESSAGING 2776 S. ARLINGTON MILL DRIVE SUITE ARLINGTON, VA 22206		PHO	\$4,742.35
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/07/2011	DOME MESSAGING 2776 S. ARLINGTON MILL DRIVE SUITE ARLINGTON, VA 22206		PHO	\$10,447.25
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/03/2011	LEWISTON SUNJOURNAL P.O. BOX 4400 LEWISTON, ME 04243		PRT	\$5,091.99
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			

11/04/2011	NASSAU BROADCASTING 250 CENTER STREET AUBURN, ME 04240		RAD	\$2,080.00
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/08/2011	LEWISTON SUNJOURNAL P.O. BOX 4400 LEWISTON, ME 04243		PRT	\$431.25
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/14/2011	OLYMPIC CONSULTING P.O. BOX 641 LEWISTON, ME 04243		SAL	\$3,500.00
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
11/07/2011	LABOR READY 220 LISBON STREET LEWISTON, ME 04240		SAL	\$1,709.10
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
12/13/2011	UNCLE ANDY'S DIGEST P.O. BOX 3363 AUBURN, ME 04212		PRT	\$604.39
	PAYMENT TO SUPPORT: 2011 QUESTION #3: STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY STATEWIDE: AN ACT REGARDING ESTABLISHING A SLOT MACHINE FACILITY			
TOTAL EXPENDITURES ➡				\$192,372.03

PEOPLE OF LEWISTON AND AUBURN COMMITTEE

SCHEDULE B- 1 ONLY

**SCHEDULE B - 1
OPERATING EXPENDITURES**

EXPENDITURE TYPES				
CNS	Campaign consultants	POL	Polling and survey research	
CON	Contribution to other candidate, party, committee	POS	Postage for U.S. Mail and mail box fees	
EQP	Equipment (office machines, furniture, cell phones, etc.)	PRO	Other professional services	
FND	Fundraising events	PRT	Print media ads only (newspapers, magazines, etc.)	
FOD	Food for campaign events, volunteers	RAD	Radio ads, production costs	
LIT	Print and graphics (flyers, signs, palmcards, t-shirts, etc.)	SAL	Campaign workers' salaries and personnel costs	
MHS	Mail house (all services purchased)	TRV	Travel (fuel, mileage, lodging, etc.)	
OFF	Office rent, utilities, phone and internet services, supplies	TVN	TV or cable ads, production costs	
OTH	Other	WEB	Website design, registration, hosting, maintenance, etc.	
PHO	Phone banks, automated telephone calls	Only these expenditure types require a remark: CNS, OTH, PRO.		

DATE OF EXPENDITURE	PAYEE	REMARK	TYPE	AMOUNT
11/13/2011	OXFORD NETWORKS 491 LISBON STREET LEWISTON, ME 04240		OFF	\$470.04
TOTAL EXPENDITURES ⇒				\$470.04

**SCHEDULE F
SUMMARY SCHEDULE**

CASH ACTIVITY		
RECEIPTS	TOTAL FOR THIS PERIOD	TOTAL FOR YEAR
1. CASH CONTRIBUTIONS (Schedule A)	\$73,318.07	\$399,083.50
2. OTHER CASH RECEIPTS (interest, etc.)	\$0.00	\$0.00
3. LOANS (Schedule C, new loans and additional amounts loaned)	\$0.00	\$0.00
4. TOTAL RECEIPTS (lines 1+2+3)	\$73,318.07	\$399,083.50
EXPENDITURES		
5. EXPENDITURES TO SUPPORT OR OPPOSE (Schedule B)	\$192,372.03	\$398,613.46
6. OPERATING EXPENDITURES (Schedule B-1)	\$470.04	\$470.04
7. LOAN REPAYMENTS (Schedule C)	\$0.00	\$0.00
8. TOTAL PAYMENTS (lines 5+6+7)	\$192,842.07	\$399,083.50
CASH SUMMARY		
9. CASH BALANCE AT BEGINNING OF PERIOD (from last report)	\$119,524.00	
10. PLUS TOTAL RECEIPTS THIS PERIOD (line 4 above)	\$73,318.07	
11. MINUS TOTAL PAYMENTS THIS PERIOD (line 8 above)	\$192,842.07	
12. CASH BALANCE AT END OF PERIOD	\$0.00	
OTHER ACTIVITY		
	TOTAL FOR THIS PERIOD	TOTAL FOR YEAR
13. IN-KIND CONTRIBUTIONS (Schedule A-1)	\$1,660.00	\$1,660.00
14. TOTAL LOAN BALANCE AT END OF PERIOD (Schedule C)	\$0.00	
15. TOTAL UNPAID DEBTS AT END OF PERIOD (Schedule D)	\$0.00	



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

December 28, 2011

Chief William Welch
Treasurer, People of Lewiston and
Auburn Committee
134 Main Street
Lewiston, ME 04240

Hon. Laurent F. Gilbert, Sr.
Principal Officer, People of Lewiston
and Auburn Committee
39 Cote Street
Lewiston, ME 04240

Dear Sirs:

The Maine Commission on Governmental Ethics and Election Practices received the attached complaint against the People of Lewiston and Auburn Committee (referred to below as "the PAC") and the Green Jobs for ME political action committee. The complaint by Casinos~~NO~~! questions:

- whether GT Source Corporation was the actual source of funding for \$378,419 reportedly received by the PAC,
- whether M Five, Inc. or other organizations associated with Scott Nash spent money to promote the November 8, 2011 Lewiston casino citizen initiative, and
- whether Dome Messaging was the actual payee that received campaign expenditures from the PAC.

This letter is to notify you of the PAC's opportunity to respond to the complaint and request that the PAC provide preliminary information and documents no later than January 11, 2012. The information and documents will assist the Commissioners in deciding whether to conduct an investigation, when they meet on January 25, 2012.

Requirements for PACs to Report Contributions and Expenditures

Political action committees are required to report contributions and expenditures under 21-A. M.R.S.A. §§ 1060(4) & (6). They are also required to keep certain records of their financial activity for four years under 21-A. M.R.S.A. § 1057.

Commission's Consideration of this Matter

Under the Commission's statute, "a person may apply in writing to the commission requesting an investigation" concerning "contributions ... to and expenditures by a ... political action committee ..." (21-A M.R.S.A. § 1003) Under the Commission's Rules, all decisions to conduct an investigation are made by the members of the Commission at a public meeting. (Chapter 1, Section 5) The Commission is required by the statute to

OFFICE LOCATED AT: 45 MEMORIAL CIRCLE, AUGUSTA, MAINE
WEBSITE: WWW.MAINE.GOV/ETHICS

PHONE: (207) 287-4179

FAX: (207) 287-6775

conduct an investigation "if the reasons stated for the request show sufficient grounds for believing that a violation may have occurred." (21-A M.R.S.A. § 1003(2))

The members of the Commission will meet next on Wednesday, January 25, 2012 at 9:00 a.m. At the meeting, the Commissioners are scheduled to determine whether they wish to conduct an investigation into matters raised by the Casinos *NO!* complaint.

Your Opportunity to Respond

The PAC is welcome to respond to the complaint by submitting a written response by Wednesday, January 11, 2012. In addition, the Commission staff requests the documents and information listed below in order to assist the Commissioners in determining whether it is required to conduct further investigation into this matter.

The Commission staff recommends that a representative of the PAC who has personal knowledge of the PAC's campaign activities and financial reporting attend the Commission's January 25, 2012 meeting to answer questions from the Commissioners.

Requested Documents and Information

Please provide the following documents and information no later than Wednesday, January 11, 2012.

Requested Documents

Request #1: The PAC's record of all contributions to the PAC (including the name and address of each contributor), which the PAC was required to keep under the Campaign Reports and Finances Law (21-A M.R.S.A. § 1057(3))

Request #2: Images of checks by which GT Source Corporation made the following four contributions reported by the PAC:

Table A		
10/13/2011	GT Source	\$25,000.00
10/13/2011	GT Source	\$140,000.00
10/18/2011	GT Source	\$160,000.00
10/26/2011	GT Source	\$53,419.73

If the PAC did not keep copies of the checks, they may be available from the PAC's financial institution. If the PAC received the four contributions from GT Source through some other means (e.g., electronic transfer), the Commission requests some other document from the PAC's financial

institution verifying that GT Source was the source of the contributions reported by the PAC.

Request #3 Images of payment checks made by the PAC to Dome Messaging for the following expenditures in Table B reported by the PAC. If the PAC did not keep copies of the payment checks, they may be available from your financial institution.

Table B			
10/13/2011	Dome Messaging	TV or cable ads	\$33,420.00
10/13/2011	Dome Messaging	Other	\$4,600.00
10/13/2011	Dome Messaging	Radio ads, production costs	\$5,882.00
10/13/2011	Dome Messaging	Campaign literature (printing and graphics)	\$6,801.00
10/13/2011	Dome Messaging	Campaign literature (printing and graphics)	\$15,579.00
10/18/2011	Dome Messaging	TV or cable ads	\$42,684.00
10/20/2011	Dome Messaging	TV or cable ads	\$60,510.00
10/25/2011	Dome Messaging	Campaign consultants	\$10,000.00
11/1/2011	Dome Messaging	Phone banks, automated telephone calls	\$739.10
11/2/2011	Dome Messaging	Phone banks, automated telephone calls	\$45,130.66
11/3/2011	Dome Messaging	TV or cable ads	\$44,645.00
11/3/2011	Dome Messaging	TV or cable ads	\$64,504.94
11/3/2011	Dome Messaging	Internet and e-mail	\$1,000.00
11/3/2011	Dome Messaging	Radio ads, production costs	\$660.00
11/5/2011	Dome Messaging	Phone banks, automated telephone calls	\$4,742.35
11/7/2011	Dome Messaging	Phone banks, automated telephone calls	\$10,447.25

Request #4: Images of receipts or invoices from Dome Messaging stating the particular good or services purchased by the PAC, which the PAC was required to retain under the Campaign Reports and Finances Law (21-A M.R.S.A. § 1057(2)) for the expenditures in Table B. If the PAC did not obtain invoices or receipts from Dome Messaging, please confirm that.

Requested Information

Request #5: Please identify the individual(s) who filed the PAC's campaign finance reports on October 12, October 28, and December 20, 2011.

Request #6 Please identify the individual(s) who managed the PAC's operations and campaign activities in support of the November 8, 2011 Lewiston casino citizen initiative (referred to below as "Question 3").

Chief William Welch, Hon. Laurent F. Gilbert, Sr.

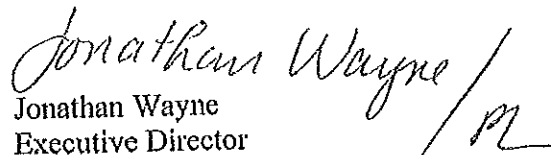
Page 4

December 28, 2011

- Request #7 Please identify the individual(s) involved in the PAC who made arrangements with Dome Messaging concerning the advertisements, telephone calls, and mailings purchased to support Question 3.
- Request #8 Please describe the role of Scott Nash in the campaign to promote Question 3.
- Request #9 Please confirm whether GT Source Corporation made the four contributions listed in Table A. If another source provided these amounts, please identify the other source.
- Request #10: Did M Five, Inc. or any firm associated with Scott Nash (e.g., IncentOvation, or Wild West Gaming) spend any money to promote Question 3, including by making contributions to another organization, by paying vendors directly, or by compensating Scott Nash or other campaign staff?

Please call me at 287-4179 with any questions concerning this request or the Commission's procedures. I will be returning to the office on the afternoon of Monday, January 2, 2012.

Sincerely,


Jonathan Wayne
Executive Director

cc: Stavros J. Mendros, Green Jobs for ME
Dennis Bailey, CasinosNO!



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

December 28, 2011

Stavros J. Mendros
Manager, Green Jobs for ME
Manager, Great Falls Recreation &
Development, LLC
135 Hogan Road
Lewiston, ME 04240

Peter D. Robinson
Treasurer, Green Jobs for ME
P.O. Box 641
Lewiston, ME 04243

Dear Sirs:

The Maine Commission on Governmental Ethics and Election Practices received the attached complaint against the Green Jobs for ME political action committee (referred to below as "the PAC") and the People of Lewiston and Auburn Committee. The complaint by Casinos~~NO~~! questions:

- whether GT Source Corporation was the actual source of funding for \$33,200 reportedly received by the PAC,
- whether M Five, Inc. or other organizations associated with Scott Nash spent money to promote the Lewiston Casino citizen initiative, and
- whether Dome Messaging was the actual payee that received campaign expenditures from the PAC.

This letter is to notify you of the PAC's opportunity to respond to the complaint and to request that the PAC provide preliminary information and documents no later than January 11, 2012. The information and documents will assist the Commissioners in deciding whether to conduct an investigation, when they meet on January 25, 2012.

Requirements for PACs to Report Contributions and Expenditures

Political action committees are required to report contributions and expenditures under 21-A. M.R.S.A. §§ 1060(4) & (6). They are also required to keep certain records of their financial activity for four years under 21-A. M.R.S.A. § 1057.

Commission's Consideration of this Matter

Under the Commission's statute, "a person may apply in writing to the commission requesting an investigation" concerning "contributions ... to and expenditures by a ... political action committee" (21-A M.R.S.A. § 1003) Under the Commission's Rules, all decisions to conduct an investigation are made by the members of the Commission at

OFFICE LOCATED AT: 45 MEMORIAL CIRCLE, AUGUSTA, MAINE
WEBSITE: WWW.MAINE.GOV/ETHICS

PHONE: (207) 287-4179

FAX: (207) 287-6775

a public meeting. (Chapter 1, Section 5) The Commission is required by the statute to conduct an investigation "if the reasons stated for the request show sufficient grounds for believing that a violation may have occurred." (21-A M.R.S.A. § 1003(2))

The members of the Commission will meet next on Wednesday, January 25, 2012 at 9:00 a.m. At the meeting, the Commissioners are scheduled to determine whether they wish to conduct an investigation into matters raised by the Casinos *NO*/ complaint.

Your Opportunity to Respond

The PAC is welcome to respond to the complaint by submitting a written response by Wednesday, January 11, 2012. In addition, the Commission staff requests the documents and information listed below in order to assist the Commissioners in determining whether it is required to conduct further investigation into this matter.

The Commission staff recommends that a representative of the PAC who has personal knowledge of the PAC's campaign activities and financial reporting attend the Commission's January 25, 2012 meeting to answer questions from the Commissioners.

Requested Documents and Information

Please provide the following documents and information no later than Wednesday, January 11, 2012.

Requested Documents

Request #1: The PAC's record of all contributions to the PAC (including the name and address of each contributor), which the PAC was required to keep under the Campaign Reports and Finances Law (21-A M.R.S.A. § 1057(3))

Request #2: Images of checks by which GT Source Corporation made the following three contributions reported by the PAC:

Table A		
08/12/11	GT Source	\$5,000.00
09/01/11	GT Source	\$2,200.00
09/22/11	GT Source	\$26,000.00

If the PAC did not keep copies of the checks, they may be available from the PAC's financial institution. If the PAC received the three contributions from GT Source through some other means (e.g., electronic transfer), the Commission requests some other document from the PAC's

financial institution verifying that GT Source was the source of the contributions reported by the PAC.

Request #3 Images of payment checks made by the PAC to Dome Messaging for the following expenditures in Table B reported by the PAC. If the PAC did not keep copies of the payment checks, they may be available from your financial institution.

Table B			
09/22/11	Dome Messaging	Polling and survey research	\$16,000.00
09/22/11	Dome Messaging	Campaign consultants	\$7,500.00

Request #4: Images of receipts or invoices from Dome Messaging stating the particular good or services purchased by the PAC, which the PAC was required to retain under the Campaign Reports and Finances Law (21-A M.R.S.A. § 1057(2)) for the expenditures in Table B. If the PAC did not obtain invoices or receipts from Dome Messaging, please confirm that.

Requested Information

- Request #5: Please identify the individual(s) who filed the PAC's campaign finance reports for the PAC in 2010 and 2011.
- Request #6 Please identify the individual(s) who managed the PAC's operation and campaign activities in support of the November 8, 2011 Lewiston casino citizen initiative (referred to below as "Question 3").
- Request #7 Please identify the individual(s) involved in the PAC who made arrangements with Dome Messaging concerning the polling and consulting services purchased to support Question 3.
- Request #8 Please describe the role of Scott Nash in the campaign to promote Question 3.
- Request #9 Please confirm whether GT Source Corporation made the three contributions listed in Table A. If another source provided these amounts, please identify the other source.
- Request #10: Did M Five, Inc. or any firm associated with Scott Nash (e.g., IncentOvation, or Wild West Gaming) spend any money to promote Question 3, including by making contributions to another organization, by

Stavros J. Mendros, Peter D. Robinson

Page 4

December 28, 2011

paying vendors directly, or by compensating Scott Nash or other campaign staff?

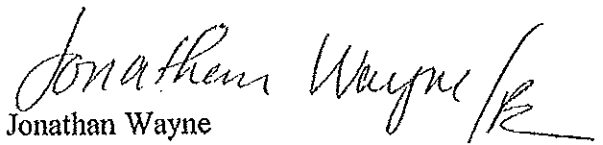
Request #11: Please describe the relationship between Green Jobs for ME and Great Falls Recreation & Development, LLC. It appears that the members of the LLC were the primary funders of the PAC.

Request #12: Did any representative of M Five, Inc. sign the proposed Option Agreement provided by Mr. Bailey?

Request #13 Did Great Falls Recreation & Development, LLC enter into any other agreement under which a party to the agreement promised to provide management or funding for the campaign to promote the November 8, 2011 Lewiston casino citizen initiative?

If you have any questions concerning this request or the Commission's procedures, please call me at 287-4179. I will be returning to the office on the afternoon of Monday, January 2, 2012.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jonathan Wayne", followed by a stylized flourish or initial.

Jonathan Wayne
Executive Director

cc: Dennis Bailey, Casinos*NO!*



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

December 28, 2011

By E-Mail and Regular Mail

L. Dwayne Graham
GT Source Corporation
1640 Airport Road, Suite 105
Kennesaw, GA 30144

Dear Mr. Graham:

This letter is to request information and documents confirming the financial reporting that was made to the State of Maine earlier this year in connection with the November 8, 2011 Lewiston casino citizen initiative. Two political action committees were required to file campaign finance reports with the State disclosing the political contributions that they received (Green Jobs for ME and the People of Lewiston and Auburn Committee). The PACs reported receiving seven contributions from GT Source Corporation:

Contributions from GT Source Reported by Green Jobs for ME	
08/12/11	\$5,000.00
09/01/11	\$2,200.00
09/22/11	\$26,000.00

Contributions from GT Source Reported by People of Lewiston and Auburn Committee	
10/13/2011	\$25,000.00
10/13/2011	\$140,000.00
10/18/2011	\$160,000.00
10/26/2011	\$53,419.73

The Maine Ethics Commission received the attached complaint questioning whether GT Source Corporation was the source of seven contributions. The staff of the Commission is gathering preliminary information to determine if the Commission is required to conduct a further investigation.

The State of Maine would appreciate it if GT Source Corporation or Pen-Tech Sales, Inc. would provide the following documents and information no later than Wednesday, January 11, 2012 in order to assist the Commission in verifying that the PACs accurately disclosed the sources of their campaign funding.

As far as I am aware, the GT Source Corporation was under no duty to file campaign finance reports with the State of Maine. I am contacting you as a potential witness with relevant information necessary for the Commission to determine whether the PACs fulfilled their reporting responsibilities under Maine campaign finance law.

OFFICE LOCATED AT: 45 MEMORIAL CIRCLE, AUGUSTA, MAINE
WEBSITE: WWW.MAINE.GOV/ETHICS

PHONE: (207) 287-4179

FAX: (207) 287-6775

L. Dwayne Graham
Page 2
December 28, 2011

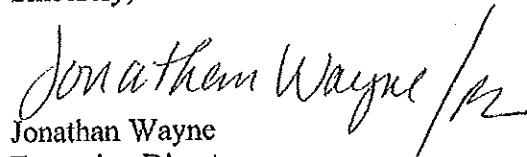
Requested Documents and Information

- Request #1: Please confirm whether GT Source Corporation made the seven contributions in the two tables above. If not, provide the dates and amounts of the contributions actually made by GT Source Corporation to the PACs.
- Request #2: Please provide images of the contribution checks or other financial records documenting the contributions you described in your response to Request #1.
- Request #3: Did GT Source Corporation receive any funds from any other source in order to make contributions to the two PACs or in order to reimburse GT Source Corporation for contributions already made to the PACs? If so, please provide the dates and amounts of funds received from other sources.

The State of Maine appreciates your cooperation in responding to this request. If you can provide the information by January 11, 2012, that will assist the Commission in deciding at its January meeting whether to conduct any further investigation into this matter.

If you have any questions concerning this request or the Commission's procedures, please call me at 287-4179. I will be returning to the office on the afternoon of Monday, January 2, 2012.

Sincerely,


Jonathan Wayne
Executive Director

cc: Stephanie Kersey, Accounting Director, Pen-Tech Sales, Inc. and GT Source Corporation (by e-mail and regular mail)

Green Jobs for ME
P.O. Box 641
Lewiston, ME 04243
January 11, 2012

Mr. Jonathan Wayne
Executive Director
Commission on Governmental Ethics and Election Practices
135 State House station
Augusta, ME 04333

Dear Director Wayne,

I am writing in response to your recent request pertinent to a complaint filed by Dennis Bailey, and I am responding on behalf of both the "Green Jobs for ME" PAC and the "People of Lewiston and Auburn Committee" PAC.

At the outset, I should point out that I have heard varying descriptions of the document that Mr. Bailey claims to have, and that, at the very least, leads me to wonder whether there may be more than one version out there. Consequently, I can not say whether what Mr. Bailey has is a work of fiction with forged signatures, or a real document stolen from our attorney's offices (no member of our LLC has signed copies of documents), or a combination of both. Regardless of the exact nature of the document he claims to have, it doesn't look good for him that he has it.

Let me now turn to the various issues raised by Mr. Bailey.

Mr. Bailey's first question, at the bottom of page one, concerns "M5." To begin with, he got the name wrong. It's "M-Five," not "M5." Second, "M-Five" is an LLC that is organized in Maine, whereas Mr. Bailey's statement creates the impression that it is organized in Maryland. Not true. Third, we never finalized a contract with M-Five, and, notwithstanding the numerous versions that were drafted, some by them and some by us, I know of no version that was ever signed by anyone on their end.

M-Five was created because, looking forward past election day, had our initiative passed, the law requires that the applicant for a slot machine facility license be a Maine entity. M-Five would have been that entity. Thus, for purposes of developing the project, what we had been in the process of negotiating for many weeks was an agreement between us ("Great Falls Recreation & Redevelopment," which I will refer to as "Great Falls") and M-Five.

However, the funding for the campaign came from GT source. M-Five was a newly-formed entity, created for the purpose of actually developing the casino. M-Five was not some pre-existing, ongoing enterprise that had assets and could fund a campaign, nor is it a Maryland entity, which is what Mr. Bailey is suggesting. Even in his use of the word "outfit" he is conveying the impression that M-Five was an ongoing, pre-existing business. No, it was not. It was organized just a few weeks prior to the election, and as a Maine entity. I do not know whether this is an attempt by Mr. Bailey to mislead you about the true nature of M-Five. Regardless, it is rather easy to verify that M-Five is a recently-created Maine entity with no apparent assets.

I have had a good number of conversations with Cindy Sullivan over the past two years, and I have called her several times to get a question answered, or a point clarified. During one of the very first conversations I had with her, back when I first created the Green Jobs For ME PAC in 2010, Ms. Sullivan told me quite clearly that we are not supposed to list an LLC as the contributor to a PAC when the LLC is merely passing through monies contributed by the partners. Therefore, in my prior PAC reports, when the ultimate source of the contributions was the paid-in capital from the partners in Great Falls, I listed the partners' names as the contributors to the Green Jobs PAC, rather than listing Great Falls as the contributor. Ms. Sullivan made this abundantly clear, and it made perfect sense to me.

Under the circumstances, I would consider it wrong to list "M-Five" as a contributor for similar reasons. Had I listed a recently-created LLC as a contributor, then everyone would be screaming that I was deliberately trying to hide the real identity of the contributor, that I was trying to make it look like the contribution was coming from Maine when it was really coming from out of state and, most importantly, my position would have been indefensible, having been explicitly told by Ms. Sullivan that I was not supposed to do that. So, if that's Mr. Bailey's idea of campaign finance reporting, I think that speaks for itself.

Had I listened to Mr. Bailey, and I would be listing M-Five on campaign reports and getting fined for doing exactly the opposite of what I was told. No thanks.

Mr. Graham at GT Source was providing the funding for the campaign. That was made clear to me from the outset, and I verified it subsequently. Mr. Graham even said so publicly in a newspaper interview. Mr. Graham came to Lewiston and met with us, and with city officials. Back then, M-Five did not even exist.

Had the initiative passed, I believe Mr. Nash would have been the one to be the local presence for their group, since he already had business in Maine. As is often the case, each partner in a venture brings something different to the table. (Even in our own group, Great Falls, that was very much the case.)

Mr. Nash did come to Lewiston at the start of the campaign, but did not stay long. He had other business in Maine to attend to as well. I believe he wanted to see how things were going with the campaign. But, we also had initially intended to set up an outbound phone bank for the campaign, and Mr. Nash was going to help with that. However, plans changed and the phone bank never happened. When we rented office space from the Lewiston-Auburn Economic Growth Council, we leased a couple of cubicles on the fourth floor of their building for offices, and also a very large room on the third floor for the phone bank. I'm sure that Lucien Gosselin, the director of LAEGC, will confirm that. But, we never used the room on the third floor (and Mr. Gosselin can confirm that also, since the room was locked and only he had the key). The decision to scrap the phone bank was due to the decision to hire a large call center, instead, where hundreds of people would be making the calls for us, rather than just the 20 or so people that would have fit on the third floor. The call center expenditures appear in the PAC reports. The decision to increase live phone-calling was a result of discovering that TV ad rates had quadrupled over 2010. Since the phone bank never happened, there was nothing to report, other than the already-sunk cost to rent the third floor and the already-sunk cost of having Oxford Networks install an internet cable jack on the third floor, both of which were reported.

However, Mr. Nash evidently had started to program some phones for use in the phone bank prior to the decision to cancel the phone bank. He owned some "voice-over-IP" phones that connect to the internet rather than normal phone lines. When Sue Sharon, the reporter for MPBN, attempted to reach Mr. Nash, the phone number she dialed was evidently attached to one of his VOIP phones, and she heard the "People of Lewiston Auburn Committee" recording. But, I would point out that Ms. Sharon was trying to reach Mr. Nash, not the PAC. So, no, Mr. Nash was not answering the phones for the PAC, if that's what Mr. Bailey thinks. The People of Lewiston Auburn Committee had one phone number associated with it, which was publicized, and the phone number was connected to a cell phone which was purchased explicitly for that purpose, and was paid for by the PAC as part of a payment to Olympic Consulting. That company, as you are probably aware, is owned by Stavros Mendros. Mr. Mendros purchased the phone, and the phone was monitored, either by him or by another staff person, for inbound calls from the public.

Finally, Mr. Bailey raises questions about Dome Messaging, but I honestly have no idea what campaign finance laws he claims have been violated. Dome Messaging was recommended to us, by Mainers. Dome is a real company, and a legitimate business that does campaign consulting and media buying in various states. Like a number of such firms, it is located in the Washington, DC area. I believe I saw another, similar company listed by one of the casino opponents in their PAC reports, and their company also happened to be in Alexandria, VA. I'm not quite sure what the issue is.

Dome Messaging is not in any way affiliated with anyone associated with Great Falls, nor anyone associated with M-Five. In fact, it was precisely because Dome was considered an independent, third party, professional campaign consulting firm that Dome was brought on board, at the suggestion of Stavros Mendros, and everyone agreed.

Let us now look specifically at the questions that you have raised.

- Q1-4) More time will be needed to gather this documentation. Both PACs have filed the source of their contributions, and expenditure information, in accordance with applicable statute, and have met their reporting requirements. The statute does not require any additional information. Regarding the confirmation request at the end of Request #4, I can confirm that both PACs do have records of the complete list of expenditures made by Dome Messaging.
- Q5) I filed the Green Jobs PAC reports myself, and I filed the People of Lewiston and Auburn Committee PAC reports after reviewing the information with Bill Welch.
- Q6) Stavros Mendros managed the Lewiston casino initiative from its inception, including both campaign and non-campaign activities.
- Q7) Stavros Mendros made those arrangements with Dome Messaging.
- Q8) Mr. Nash was neither hired nor paid by either PAC, nor by Great Falls. I addressed this question above in what I believe is far greater detail than is required by law.
- Q9) GT Source made all contributions listed in Table A for each respective PAC, as reported by the respective PAC.

Q10) This question is predicated on the erroneous impression given to the Commission by Mr. Bailey that "M5" was a pre-existing, ongoing business with assets. But, such was not the case, as I have discussed above, and as can easily be verified. Based on my conversations with Ms. Sullivan, anyone in M-Five making a campaign contribution ought to have been listed individually in the PAC reports, and that is what I did.

Q11) Green Jobs for Maine PAC was the original PAC formed in order to comply with campaign finance reporting requirements related to the Lewiston casino initiative. Mr. Mendros and I formed the PAC in 2010. Great Falls Recreation & Redevelopment is a Maine LLC that was formed as a business entity for the purpose of developing a casino in Lewiston. Great Falls held an option to purchase land from the city of Lewiston for the purpose of developing a casino on that land. That option agreement was approved by the city council and by Lewiston voters on June 8, 2010, and it is a public document. Had Question 3 passed last fall, it is Great Falls that would have been entitled to apply for a slot machine facility license, as a result of holding that option agreement with the city of Lewiston. My partners and I in Great Falls made capital contributions to the LLC for the purpose of promoting the project. Some of Great Falls' expenditures were not campaign related, such as the cost of purchasing the option from the city. But, many of our expenses were campaign related, and that also included the cost of signature gathering in order to get on the ballot. All those expenditures were made through the Green Jobs PAC, but, rather than list Great Falls as the contributor, we listed the partners' names, as directed.

Q12) As I mentioned above, I am not aware of M-Five ever having signed anything. Therefore, even though I can not say for certain what it is that Mr. Bailey has, it can only be, at best, an unexecuted document – a "non-agreement," if you will.

Q13) No, there were no other agreements with anyone.

Finally, I think it is important to understand the unique arrangement made between Great Falls and the City of Lewiston. In the story Mr. Bailey included with his complaint, Mr. Bailey is quoted as saying that people are being "sold" that our project is "basically a local effort by local investors, by local residents and people in the community, and come to find out in this case it appears that it's already been sold, or at least they have an agreement to sell this to an outside source we know nothing about."

No, the truth is that we never said the developer would be local, nor would we ever dare, since that was not something that we could control. Going back to our first meeting with the Lewiston City Council in October, 2009, we made it clear that we had the funds to get this project to a certain point, and that we would then have to bring in someone else to take it the rest of the way. This was well-understood from day one, and it was not a secret. In fact, we talked explicitly about bringing a casino developer on-board, and there aren't any of those in Maine. We never claimed to be the developer, nor did we ever suggest in any way that we had that kind of money. We don't, and we never said we did. Mr. Bailey's comment is what he always says, but it does not apply to us, and he clearly did not do his homework with respect to our initiative. He even said, for example, that the Lewiston casino revenue cascade was a huge subsidy to harness racing. No, that could be said about the Bangor casino, or about the Biddeford proposal, which relied on the Bangor cascade, but our cascade was completely different, and Mr. Bailey obviously did not know that, either.

Every potential developer with whom we spoke and who was interested came to Lewiston and met not only with us, but with city officials, including either Ed Barrett (the City Administrator) or Lincoln Jeffers (head of economic development) or both. Mr. Jeffers took every potential developer on a tour of the property. So, there was never any dark secret about whom we were meeting with and the fact that some of them were from out of state.

In fact, we always gave Mr. Jeffers' contact information to potential developers who had specific questions about the property. That accomplished a number of things: it assured us that the developers were getting accurate information about the property, it let developers know that we had a good relationship with the city, and it gave the city a chance to speak with potential developers and vet them.

And that last point brings me to an aspect of this project that is unheard of in other casino initiatives. Our option agreement with the City of Lewiston gave the city the power to veto any sale or assignment of the option. So, in other words, no deal was ever going to be transacted without the city's prior approval. And I know, based on my conversations with Mr. Barrett, that the city would want to know that any assignee was capable of being licensed before the city would ever grant that approval.

So, we had an extra level of vetting built right into our option agreement, and, again, that agreement is a public document. It's not just that the city would have approval over the development, itself, through its "development review" process, and not just that the Gambling Control Board would vet the license applicant; there was also an additional right to pre-approve the owner/applicant, vested in the City of Lewiston, and no assignment could take place until the city first approved the assignee. From a public policy perspective, I submit to you that that was a good provision that protected the public interest, and it is something that did not happen in Bangor or Oxford. So, when Mr. Bailey went around saying that we had already "flipped" our interest, people in city hall already knew that we were in the middle of negotiations, but they also knew that we could not possibly have sold our option to another party because they knew that was impossible to do without the city's prior approval.

Again, no other proposal has had built-in pre-approval of the choice of developer by the municipality – only ours.

Quite frankly, Mr. Bailey must be thinking of Oxford. They were the ones who claimed that it was going to be an all-local effort, and who implied that Bob Bahre would be the developer. We now know that they brought in Och-Ziff Real Estate Advisers from New York, and then tried to stop the FOI request of the Gambling Control Board for a copy of the license application, which shows Och-Ziff's ownership interest.

But, as for us, just look at that Sun-Journal article that Mr. Bailey provided. The very first sentence makes it clear that our funding was from out of state. I would have loved to have been able to say it was all-local, but I knew two years ago that the chances of that were going to be extremely slim. So we never even suggested that. We had to take our lumps from anyone who had a problem with someone from out of state being involved.

Mr. Jeffers at city hall knows we tried to involve local developers, and he also knows that did not work out. So, I'm not about to apologize for bringing in someone from out of state, which seems to be at the heart of Mr. Bailey's complaint. Furthermore, from a purely economic point of view,

transacting business with someone from out of state is not a "bad" thing. It is simply not the case that an economic transaction that crosses state lines has a negative economic effect. That depends on how the transaction is priced. So, in my view, Mr. Bailey's concern about people from out of state is not based on sound economic principles; rather, it is an attempt to use xenophobia as a means of emotional manipulation.

I hope this letter has answered your questions.

You know, it's one thing to lose, and it's another thing to lose as badly as we did. There are a lot of very disappointed people here in Lewiston. And I desperately need to get back to a real job, having sacrificed two years of my life for this project. It was a tremendous disappointment for me, but there's no arguing about that lop-sided vote. I would very much like to move on with my life, and I think Mr. Bailey should move on with his as well.

Sincerely,

Peter D. Robinson



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

January 13, 2011

Stavros J. Mendros
Manager, Green Jobs for ME
135 Hogan Road
Lewiston, ME 04240

Peter D. Robinson
Treasurer, Green Jobs for ME
P.O. Box 641
Lewiston, ME 04243

Dear Mr. Mendros and Mr. Robinson,

Thank you for your response of yesterday. This letter is to make two requests for additional information and to follow up on previously requested documents and information. Please respond by Monday, January 23, so that the Commissioners may consider the information and documents when they meet on January 25.

New Requests

Request #14 Please identify the individual at Dome Messaging who is most knowledgeable about the services it rendered to the PACs, along with that person's mailing address and phone number.

Request #15 To the best of your (both Mr. Mendros and Mr. Robinson) knowledge, did GT Source Corporation receive funds from any other source in order to make the contributions to the PACs or to reimburse GT Source for the contributions it made to the PACs? If so, please identify those other sources and the amounts which GT Source received.

Previous Requests for Documents and Information

Request #1: In addition to the reports filed with the Commission, political action committees are required by law to keep some form of accounting record of all contributions to the PAC, including the name and address of the contributors (21-A M.R.S.A. § 1057(3)). Please provide this record for contributions received in 2011.

Request #2: Please obtain from the PACs' financial institution some document (either an image of a check or a record of an electronic transfer) that identifies the donor which provided the following seven amounts to the PACs:

Contributions to Green Jobs for ME	
08/12/11	\$5,000.00
09/01/11	\$2,200.00
09/22/11	\$26,000.00

Contributions to People of Lewiston and Auburn Committee	
10/13/2011	\$25,000.00
10/13/2011	\$140,000.00
10/18/2011	\$160,000.00
10/26/2011	\$53,419.73

Request #3 Please provide images of five payment checks or electronic transfers made by the PAC to Dome Messaging for the following expenditures. (We have reduced the previous Request #3 to five expenditures in order to lower the burden on the PAC in responding.)

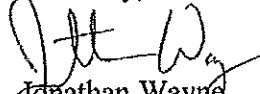
Table B (modified)		
10/18/2011	TV or cable ads	\$42,684.00
10/20/2011	TV or cable ads	\$60,510.00
11/2/2011	Phone banks, automated telephone calls	\$45,130.66
11/3/2011	TV or cable ads	\$44,645.00
11/3/2011	TV or cable ads	\$64,504.94

Request #4: Please provide images of receipts or invoices from Dome Messaging stating the particular services purchased by the PAC, which the PAC was required by law to retain (21-A M.R.S.A. § 1057(2)). If the PAC did not obtain invoices or receipts from Dome Messaging, explain how Dome Messaging billed the PAC and provide any documentation describing the services provided to the PAC and the amounts charged for those services.

I have also enclosed a copy of the Option Agreement which our office inadvertently did not enclose with our December 28 letters. It appears that the agreement is signed by each of you but not by a representative of M Five, Inc.

Since I was contacted by attorney Mark L. Walker, Esq., I am copying him on this letter, although I am not sure if he is serving as your attorney or providing informal advice.

Sincerely,


Jonathan Wayne
Executive Director

cc: Mark L. Walker, Esq. (By E-Mail and Regular Mail)

Wayne, Jonathan

From: Phillips, Cyndi
Sent: Friday, January 06, 2012 8:22 AM
To: Wayne, Jonathan; Lavin, Paul
Subject: PAC Reporting, State of Maine Ethics Commission

From: L. Dwayne Graham [<mailto:dwayneg@gtsource.com>]
Sent: Thursday, January 05, 2012 1:11 PM
To: Phillips, Cyndi; dwayneg@pen-tech.com
Cc: stephk@pen-tech.com
Subject: RE: PAC Reporting, State of Maine Ethics Commission

Mr. Wayne,

GTSOURCE or myself do not intend to respond to your request at this time. I do thank you for the offer to participate in this request, but I feel that I have spent enough time in trying to help the city of Lewiston and the state of Maine without a positive outcome. The voters have spoken loud and clear and I have moved on.

Again I would like to thank you for your time and service.

Building Solid Gaming Foundations – Enabling Success



DWAYNE GRAHAM
1640 Airport Road
Suite 105
Kennesaw, GA 30144
404-358-8418 PH)
770-234-6647 (Fax)
dwayneg@gtsource.com
www.gtsource.com

From: Phillips, Cyndi [<mailto:Cyndi.Phillips@maine.gov>]
Sent: Wednesday, December 28, 2011 11:36 AM
To: dwayneg@pen-tech.com
Cc: stephk@pen-tech.com
Subject: PAC Reporting, State of Maine Ethics Commission

Our Executive Director, Jonathan Wayne, is out of the office until the afternoon of Monday, January 2. He requested that I forward this to you today.

Cyndi Phillips, COMMISSION ASSISTANT
MAINE ETHICS COMMISSION
45 MEMORIAL CIRCLE
MAILING: 135 STATE HOUSE STATION
AUGUSTA, MAINE
207-287-4179
WWW.MAINE.GOV/ETHICS

The Securities and Exchange Commission has not necessarily reviewed the information in this filing and has not determined if it is accurate and complete.
The reader should not assume that the information is accurate and complete.

**UNITED STATES SECURITIES AND EXCHANGE
COMMISSION**
Washington, D.C. 20549
FORM D

Notice of Exempt Offering of Securities

OMB APPROVAL	
OMB Number:	3235-0076
Expires:	June 30, 2012
Estimated average burden hours per response:	4.00

1. Issuer's Identity

CIK (Filer ID Number)

0001533361

Name of Issuer

M FIVE, INC.

Jurisdiction of
Incorporation/Organization

MAINE

Year of Incorporation/Organization

☐ Over Five Years Ago

☒ Within Last Five Years (Specify Year) 2011

☐ Yet to Be Formed

Previous
Names

☒ None

Entity Type

☒ Corporation

☐ Limited Partnership

☐ Limited Liability Company

☐ General Partnership

☐ Business Trust

☐ Other (Specify)

2. Principal Place of Business and Contact Information

Name of Issuer

M FIVE, INC.

Street Address 1

10315 THORNBUSH LANE

City

BETHESDA

State/Province/Country

MARYLAND

Street Address 2

ZIP/PostalCode

20814

Phone Number of Issuer

240-252-9950

3. Related Persons

Last Name

GRAHAM

Street Address 1

10315 THORNBUSH LANE

City

BETHESDA

First Name

DWAYNE

Street Address 2

State/Province/Country

MARYLAND

Middle Name

ZIP/PostalCode

20814

Relationship: ☒ Executive Officer ☒ Director ☒ Promoter

Clarification of Response (if Necessary):

Last Name	First Name	Middle Name
HILL	RYAN	
Street Address 1	Street Address 2	
10315 THORNBUSH LANE		
City	State/Province/Country	ZIP/PostalCode
BETHESDA	MARYLAND	20814
Relationship: <input checked="" type="checkbox"/> Executive Officer <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> Promoter		

Clarification of Response (if Necessary):

Last Name	First Name	Middle Name
NASH	SCOTT	
Street Address 1	Street Address 2	
10315 THORNBUSH LANE		
City	State/Province/Country	ZIP/PostalCode
BETHESDA	MARYLAND	20814
Relationship: <input checked="" type="checkbox"/> Executive Officer <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> Promoter		

Clarification of Response (if Necessary):

4. Industry Group

- | | | |
|--|---|--|
| <input type="checkbox"/> Agriculture | Health Care | <input type="checkbox"/> Retailing |
| <input type="checkbox"/> Banking & Financial Services | <input type="checkbox"/> Biotechnology | <input type="checkbox"/> Restaurants |
| <input type="checkbox"/> Commercial Banking | <input type="checkbox"/> Health Insurance | Technology |
| <input type="checkbox"/> Insurance | <input type="checkbox"/> Hospitals & Physicians | <input type="checkbox"/> Computers |
| <input type="checkbox"/> Investing | <input type="checkbox"/> Pharmaceuticals | <input type="checkbox"/> Telecommunications |
| <input type="checkbox"/> Investment Banking | <input type="checkbox"/> Other Health Care | <input type="checkbox"/> Other Technology |
| <input type="checkbox"/> Pooled Investment Fund | <input type="checkbox"/> Manufacturing | Travel |
| Is the issuer registered as
an investment company under
the Investment Company
Act of 1940? | Real Estate | <input type="checkbox"/> Airlines & Airports |
| <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Commercial | <input type="checkbox"/> Lodging & Conventions |
| <input type="checkbox"/> Other Banking & Financial Services | <input type="checkbox"/> Construction | <input type="checkbox"/> Tourism & Travel Services |
| <input type="checkbox"/> Business Services | <input type="checkbox"/> REITS & Finance | <input type="checkbox"/> Other Travel |
| Energy | <input type="checkbox"/> Residential | <input checked="" type="checkbox"/> Other |
| <input type="checkbox"/> Coal Mining | <input type="checkbox"/> Other Real Estate | |

- ☐ Electric Utilities
- ☐ Energy Conservation
- ☐ Environmental Services
- ☐ Oil & Gas
- ☐ Other Energy

5. Issuer Size

Revenue Range	OR	Aggregate Net Asset Value Range
<input type="checkbox"/> No Revenues		<input type="checkbox"/> No Aggregate Net Asset Value
<input checked="" type="checkbox"/> \$1 - \$1,000,000		<input type="checkbox"/> \$1 - \$5,000,000
<input type="checkbox"/> \$1,000,001 - \$5,000,000		<input type="checkbox"/> \$5,000,001 - \$25,000,000
<input type="checkbox"/> \$5,000,001 - \$25,000,000		<input type="checkbox"/> \$25,000,001 - \$50,000,000
<input type="checkbox"/> \$25,000,001 - \$100,000,000		<input type="checkbox"/> \$50,000,001 - \$100,000,000
<input type="checkbox"/> Over \$100,000,000		<input type="checkbox"/> Over \$100,000,000
<input type="checkbox"/> Decline to Disclose		<input type="checkbox"/> Decline to Disclose
<input type="checkbox"/> Not Applicable		<input type="checkbox"/> Not Applicable

6. Federal Exemption(s) and Exclusion(s) Claimed (select all that apply)

<input type="checkbox"/> Rule 504(b)(1) (not (i), (ii) or (iii))	<input type="checkbox"/> Rule 505
<input type="checkbox"/> Rule 504 (b)(1)(i)	<input checked="" type="checkbox"/> Rule 506
<input type="checkbox"/> Rule 504 (b)(1)(ii)	<input type="checkbox"/> Securities Act Section 4(6)
<input type="checkbox"/> Rule 504 (b)(1)(iii)	<input type="checkbox"/> Investment Company Act Section 3(c)
	<input type="checkbox"/> Section 3(c)(1) <input type="checkbox"/> Section 3(c)(9)
	<input type="checkbox"/> Section 3(c)(2) <input type="checkbox"/> Section 3(c)(10)
	<input type="checkbox"/> Section 3(c)(3) <input type="checkbox"/> Section 3(c)(11)
	<input type="checkbox"/> Section 3(c)(4) <input type="checkbox"/> Section 3(c)(12)
	<input type="checkbox"/> Section 3(c)(5) <input type="checkbox"/> Section 3(c)(13)
	<input type="checkbox"/> Section 3(c)(6) <input type="checkbox"/> Section 3(c)(14)
	<input type="checkbox"/> Section 3(c)(7)

7. Type of Filing

☒ New Notice Date of First Sale 2011-10-21 ☐ First Sale Yet to Occur
☐ Amendment

8. Duration of Offering

Does the Issuer intend this offering to last more than one year? ☐ Yes ☒ No

9. Type(s) of Securities Offered (select all that apply)

<input checked="" type="checkbox"/> Equity	<input type="checkbox"/> Pooled Investment Fund Interests
<input type="checkbox"/> Debt	<input type="checkbox"/> Tenant-in-Common Securities
<input checked="" type="checkbox"/> Option, Warrant or Other Right to Acquire Another Security	<input type="checkbox"/> Mineral Property Securities
<input checked="" type="checkbox"/> Security to be Acquired Upon Exercise of Option, Warrant or Other Right to Acquire Security	<input type="checkbox"/> Other (describe)

10. Business Combination Transaction

Is this offering being made in connection with a business combination transaction, such as a merger, acquisition or exchange offer? ☐ Yes ☒ No

Clarification of Response (if Necessary):

11. Minimum Investment

Minimum investment accepted from any outside investor \$50,000 USD

12. Sales Compensation

Recipient

Recipient CRD Number ☒ None

(Associated) Broker or Dealer ☒ None

(Associated) Broker or Dealer CRD Number ☒ None

Street Address 1

Street Address 2

City

State/Province/Country

ZIP/Postal Code

State(s) of Solicitation (select all that apply)
 Check "All States" or check individual States

☐ All States

☐ Foreign/non-US

13. Offering and Sales Amounts

Total Offering Amount \$700,000 USD or ☐ Indefinite

Total Amount Sold \$400,000 USD

Total Remaining to be Sold \$300,000 USD ☐

or ☐ Indefinite

Clarification of Response (if Necessary):

14. Investors

- ☐ Select if securities in the offering have been or may be sold to persons who do not qualify as accredited investors, and enter the number of such non-accredited investors who already have invested in the offering.

Regardless of whether securities in the offering have been or may be sold to persons who do not qualify as accredited investors, enter the total number of investors who already have invested in the offering:

15. Sales Commissions & Finder's Fees Expenses

Provide separately the amounts of sales commissions and finders fees expenses, if any. If the amount of an expenditure is not known, provide an estimate and check the box next to the amount.

Sales Commissions \$0 USD ☐ Estimate

Finders' Fees \$0 USD ☐ Estimate

Clarification of Response (if Necessary):

16. Use of Proceeds

Provide the amount of the gross proceeds of the offering that has been or is proposed to be used for payments to any of the persons required to be named as executive officers, directors or promoters in response to Item 3 above. If the amount is unknown, provide an estimate and check the box next to the amount.

\$0 USD ☐ Estimate

Clarification of Response (if Necessary):

Signature and Submission

Please verify the information you have entered and review the Terms of Submission below before signing and clicking SUBMIT below to file this notice.

Terms of Submission

In submitting this notice, each issuer named above is:

- Notifying the SEC and/or each State in which this notice is filed of the offering of securities described and undertaking to furnish them, upon written request, in the accordance with applicable law, the information furnished to offerees.*
- Irrevocably appointing each of the Secretary of the SEC and, the Securities Administrator or other legally designated officer of the State in which the issuer maintains its principal place of business and any State in which this notice is filed, as its agents for service of process, and agreeing that these persons may accept service on its behalf, of any notice, process or pleading, and further agreeing that such service

may be made by registered or certified mail, in any Federal or state action, administrative proceeding, or arbitration brought against it in any place subject to the jurisdiction of the United States, if the action, proceeding or arbitration (a) arises out of any activity in connection with the offering of securities that is the subject of this notice, and (b) is founded, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these statutes, or (ii) the laws of the State in which the issuer maintains its principal place of business or any State in which this notice is filed.

- Certifying that, if the issuer is claiming a Rule 505 exemption, the issuer is not disqualified from relying on Rule 505 for one of the reasons stated in Rule 505(b)(2)(iii).

Each Issuer identified above has read this notice, knows the contents to be true, and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

For signature, type in the signer's name or other letters or characters adopted or authorized as the signer's signature.

Issuer	Signature	Name of Signer	Title	Date
M FIVE, INC.	GEORGE S. LAWLER	GEORGE S. LAWLER	ASSISTANT SECRETARY	2011-10-24

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

* This undertaking does not affect any limits Section 102(a) of the National Securities Markets Improvement Act of 1996 ("NSMIA") [Pub. L. No. 104-290, 110 Stat. 3416 (Oct. 11, 1996)] imposes on the ability of States to require information. As a result, if the securities that are the subject of this Form D are "covered securities" for purposes of NSMIA, whether in all instances or due to the nature of the offering that is the subject of this Form D, States cannot routinely require offering materials under this undertaking or otherwise and can require offering materials only to the extent NSMIA permits them to do so under NSMIA's preservation of their anti-fraud authority.

DOMESTIC
BUSINESS CORPORATION
STATE OF MAINE
ARTICLES OF INCORPORATION

File No. 20120222 D Pages 2
Fee Paid \$ 145
DCN 2112651800042 ARTI
FILED
09/22/2011

Julie L Flynn
Deputy Secretary of State

A True Copy When Attested By Signature

Deputy Secretary of State

Pursuant to 13-C MRSA §202, the undersigned executes and delivers the following Articles of Incorporation

FIRST: The name of the corporation is M FIVE, INC

SECOND: (*X* only if applicable)

☐ This is a professional corporation**formed pursuant to 13 MRSA Chapter 22-A to provide the following professional services

(type of professional services)

THIRD: The Clerk is a: (select either a Commercial or Noncommercial Clerk - Person must be a Maine resident)

☐ Commercial Clerk CRA Public Number: _____

(name of commercial clerk)

☒ Noncommercial Clerk

Severin M. Belyeau, Esq.

(name of noncommercial clerk)

c/o Corporation Service Company, 45 Memorial Circle, Augusta, ME 04330

(physical location, not P.O. Box - street, city, state and zip code)

(mailing address if different from above)

FOURTH: Pursuant to 5 MRSA §108.3, the clerk as listed above has consented to serve as the clerk for this corporation.

FIFTH: (*X* one box only)

☒ There shall be only one class of shares The number of authorized shares is 1500

(Optional) Name of class: _____

☐ There shall be two or more classes or series of shares. The information required by 13-C MRSA §601 concerning each such class and series is set forth in Exhibit ____ attached hereto and made a part hereof.

Form No. MICA-6 (1 of 2)

SIXTH: ("X" one box only)

- ☒ The corporation will have a board of directors
- ☐ There will be no directors, the business of the Corporation will be managed by shareholders. (13-C MRSA §743)

SEVENTH: (For corporations with directors, each of the following provisions is optional – "X" only if applicable)

- ☒ The number of directors is limited as follows: not fewer than 3 nor more than 3 directors (13-C MRSA §803)
- ☒ To the fullest extent permitted by 13-C MRSA §202.2.D, a director shall have no liability to the Corporation or its shareholders for money damages for an action taken or a failure to take an action as a director
- ☒ Except as otherwise specified by contract or in its bylaws, the Corporation shall in all cases provide indemnification (including advances of expenses) to its directors and officers to the fullest extent permitted by law. (13-C MRSA §§202, 857 and 859)

EIGHTH: ("X" only if applicable)

- ☒ The Corporation elects to have preemptive rights as defined in 13-C MRSA §641

NINTH: ("X" only if applicable)

- ☐ Additional provisions of these Articles of Incorporation are set forth in Exhibit ____ attached hereto and made a part hereof. (13-C MRSA §202)

TENTH: Name and address of each Incorporator is set forth below or on Exhibit ____ attached hereto.

Corporation Service Company
(type or print name)

2711 Centerville Rd Suite 400
(street or mailing address)

Wilmington, DE 19808
(city, state and zip code)

(type or print name)

(street or mailing address)

(city, state and zip code)

Corporation Service Company, Incorporator

Dated 9/21/2011

*By Brittany Matthews
(signature of incorporator)

Brittany Matthews Assistant Secretary
(type or print name and capacity)

**The professional corporation name must contain one of the following "chartered," "professional corporation," "professional association" or "service corporation" or the abbreviation "P.C.," "P.A." or "S.C." Examples of professional service corporations are accountants, attorneys, chiropractors, dentists, registered nurses and veterinarians. (This is not an inclusive list—see 13 MRSA §723.7)

*These articles must be dated and executed by an incorporator pursuant to the provisions of 13-C MRSA §121.5.

Please remit your payment made payable to the Maine Secretary of State

Submit completed form to: Secretary of State
Division of Corporations, UCC and Commissions
101 State House Station, Augusta, ME 04333-0101
Telephone Inquiries (207) 624-7752 Email Inquiries: CEC.Corporations@Maine.gov

Form No. MBCA-6 (2 of 2) Rev. 9/14/2009

SUBCHAPTER IV

REPORTS BY POLITICAL ACTION COMMITTEES

21A § 1051. Application

This subchapter applies to the activities of political action committees organized in and outside this State that accept contributions, incur obligations or make expenditures for the election of state, county or municipal officers, or for the support or defeat of any campaign, as defined in this subchapter.

21A § 1052. Definitions

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Campaign. "Campaign" means any course of activities to influence the nomination or election of a candidate or to initiate or influence any of the following ballot measures:

- A. A people's veto referendum under the Constitution of Maine, Article IV, Part Third, Section 17;
- B. A direct initiative of legislation under the Constitution of Maine, Article IV, Part Third, Section 18;
- C. An amendment to the Constitution of Maine under Article X, Section 4;
- D. A referendum vote on a measure enacted by the Legislature and expressly conditioned upon ratification by a referendum vote under the Constitution of Maine, Article IV, Part Third, Section 19;
- E. The ratification of the issue of bonds by the State or any agency thereof; and
- F. Any county or municipal referendum.

2. Committee. "Committee" means any political action committee, as defined in this subchapter, and includes any agent of a political action committee.

3. Contribution. "Contribution" includes:

- A. A gift, subscription, loan, advance or deposit of money or anything of value made to a political action committee, except that a loan of money by a financial institution made in accordance with applicable banking laws and regulations and in the ordinary course of business is not included;
- B. A contract, promise or agreement, expressed or implied whether or not legally enforceable, to make a contribution to a political action committee;
- C. Any funds received by a political action committee that are to be transferred to any candidate, committee, campaign or organization for the purpose of initiating or influencing a campaign; or

D. The payment, by any person or organization, of compensation for the personal services of other persons provided to a political action committee that is used by the political action committee to initiate or influence a campaign.

4. Expenditure. The term "expenditure:"

A. Includes:

- (1) A purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value, made for the purpose of initiating or influencing;
- (2) A contract, promise or agreement, expressed or implied, whether or not legally enforceable, to make any expenditure for the purposes set forth in this paragraph; and
- (3) The transfer of funds by a political action committee to another candidate or political committee; and

B. Does not include:

- (1) Any news story, commentary or editorial distributed through the facilities of any broadcasting station, newspaper, magazine or other periodical publication, unless these facilities are owned or controlled by any political party, political committee, candidate or candidate's immediate family;
- (2) Activity designed to encourage individuals to register to vote or to vote, if that activity or communication does not mention a clearly identified candidate;
- (3) Any communication by any membership organization or corporation to its members or stockholders, if that membership organization or corporation is not organized primarily for the purpose of influencing the nomination or election of any person to state or county office;
- (4) The use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by a political action committee in rendering voluntary personal services for candidate-related activities, if the cumulative value of these activities by the political action committee on behalf of any candidate does not exceed \$100 with respect to any election;
- (5) Any unreimbursed travel expenses incurred and paid for by a political action committee that volunteers personal services to a candidate, if the cumulative amount of these expenses does not exceed \$100 with respect to any election; and
- (6) Any communication by any political action committee member that is not made for the purpose of influencing the nomination or election of any person to state or county office.

4-A. Influence. "Influence" means to promote, support or oppose or defeat.

4-B. Initiate. "Initiate" includes the collection of signatures and related activities to qualify a state or local initiative or referendum for the ballot.

5. Political action committee. The term "political action committee:"

A. Includes:

(1) Any separate or segregated fund established by any corporation, membership organization, cooperative or labor or other organization whose purpose is to initiate or influence a campaign;

(2) **(REPEALED)**

(3) **(REPEALED)**

(4) Any organization, including any corporation or association, that has as its major purpose initiating or influencing a campaign and that receives contributions or makes expenditures aggregating more than \$1,500 in a calendar year for that purpose; and

(5) Any organization that does not have as its major purpose influencing candidate elections but that receives contributions or makes expenditures aggregating more than \$5,000 in a calendar year for the purpose of influencing the nomination or election of any candidate to political office.

B. Does not include:

(1) A candidate or a candidate's treasurer under section 1013-A, subsection 1;

(2) A candidate's authorized political committee under section 1013-A, subsection 2;

(3) A party committee under section 1013-A, subsection 3; or

(4) An organization whose only payments of money in the prior 2 years for the purpose of influencing a campaign in this State are contributions to candidates, party committees, political action committees or ballot question committees registered with the commission or a municipality and that has not raised and accepted any contributions during the calendar year for the purpose of influencing a campaign in this State.

21A § 1053. Registration

Every political action committee, as defined under section 1052, subsection 5, paragraph A, subparagraph (1) or (4) that makes expenditures in the aggregate in excess of \$1,500 and every political action committee, as defined under section 1052, subsection 5, paragraph A, subparagraph (5), that makes expenditures in the aggregate in excess of \$5,000 must register with the commission within 7 days of exceeding the applicable amount on forms prescribed by the commission. These forms must include the following information and any additional information reasonably required by the commission to monitor the activities of political action committees in this State under this subchapter:

1. Identification of committee. The names and mailing addresses of the committee, its treasurer, its principal officers, the names of any candidates and Legislators who have a significant role in fund raising or decision-making for the committee and all individuals who are the primary fund-raisers and decision makers for the committee;

21A § 1054. Appointment of treasurer

Any political action committee required to register under section 1053 must appoint a treasurer before registering with the commission. The treasurer shall retain, for a minimum of 4 years, all receipts, including cancelled checks, of expenditures made in support of or in opposition to a campaign, political committee, political action committee, referendum or initiated petition in this State.

21A § 1055. Publication or distribution of political communications

A political action committee that makes an expenditure to finance a communication expressly advocating the election or defeat of a candidate or that names or depicts a clearly identified candidate is subject to the requirements of section 1014.

21A § 1056. Expenditure limitations

Any committee required to register under this chapter shall comply with the following expenditure limitations.


1. Aggregate expenditures. A committee may not make contributions in support of the candidacy of one person aggregating more than the contribution limits established by the commission pursuant to section 1015.

2. Prohibited expenditures. No committee may make any expenditure for liquor to be distributed to or consumed by voters while the polls are open on election day.

21A § 1056-A. Expenditures by political action committees

A political action committee shall report all expenditures in cash or in kind made by the committee.

21A § 1056-B. Ballot question committees

 A person not defined as a political action committee who receives contributions or makes expenditures, other than by contribution to a political action committee, aggregating in excess of \$5,000 for the purpose of initiating or influencing a campaign as defined by section 1052, subsection 1, shall file reports with the commission in accordance with this section. For the purposes of this section, "campaign" does not include activities to influence the nomination or election of a candidate. Within 7 days of receiving contributions or making expenditures that exceed \$5,000, the person shall register with the commission as a ballot question committee. For the purposes of this section, expenditures include paid staff time spent for the purpose of initiating or influencing a campaign. The commission must prescribe forms for the registration, and the forms must include specification of a treasurer for the committee, any other principal officers and all individuals who are the primary fund-raisers and decision makers for the committee.

1. Filing requirements. A report required by this section must be filed with the commission according to the reporting schedule in section 1059. After completing all financial activity, the committee shall terminate its campaign finance reporting in the same manner provided in section 1061. The committee shall file each report required by this section through an electronic filing system developed by the commission unless granted a waiver under section 1059, subsection 5.

2. Content. A report must contain an itemized account of each expenditure made to and contribution received from a single source aggregating in excess of \$100 in any election; the date of each contribution; the date and purpose of each expenditure; the name and address of each contributor, payee or creditor; and the occupation and principal place of business, if any, for any person who has made contributions exceeding \$100 in the aggregate. The filer is required to report only those contributions made to the filer for the purpose of initiating or influencing a campaign and only those expenditures made for those purposes. The definitions of "contribution" and "expenditure" in section 1052, subsections 3 and 4, respectively, apply to persons required to file ballot question reports.

2.A. Contributions. For the purposes of this section, "contribution" includes, but is not limited to:

- A. Funds that the contributor specified were given in connection with a campaign;
- B. Funds provided in response to a solicitation that would lead the contributor to believe that the funds would be used specifically for the purpose of initiating or influencing a campaign;
- C. Funds that can reasonably be determined to have been provided by the contributor for the purpose of initiating or influencing a campaign when viewed in the context of the contribution and the recipient's activities regarding a campaign; and
- D. Funds or transfers from the general treasury of an organization filing a ballot question report.

3. Forms. A report required by this section must be on a form prescribed and prepared by the commission. A person filing this report may use additional pages if necessary, but the pages must be the same size as the pages of the form.

4. Records. A person filing a report required by this section shall keep records as required by this subsection for 4 years following the election to which the records pertain.


- A. The filer shall keep a detailed account of all contributions made to the filer for the purpose of initiating or influencing a campaign and all expenditures made for those purposes.
- B. The filer shall retain a vendor invoice or receipt stating the particular goods or services purchased for every expenditure in excess of \$50.


21A § 1057. Records

Any political action committee that is required to register under section 1053 or 1053-B shall keep records as provided in this section for 4 years following the election to which the records pertain.

1. Details of records. The treasurer of a political action committee must record a detailed account of:

- A. All expenditures made to or in behalf of a candidate, campaign or committee;
- B. The identity and address of each candidate, campaign or committee;
- C. The office sought by a candidate and the district he seeks to represent, for candidates which a political action committee has made an expenditure to or in behalf of; and
- D. The date of each expenditure.

 **2. Receipts.** The treasurer of a political action committee must retain a vendor invoice or receipt stating the particular goods or services purchased for every expenditure in excess of \$50.

 **3. Record of contributions.** The treasurer of a political action committee must keep a record of all contributions to the committee, by name and mailing address, of each donor and the amount and date of the contribution. This provision does not apply to aggregate contributions from a single donor of \$50 or less for an election or referendum campaign. When any donor's contributions to a political action committee exceed \$50, the record must include the aggregate amount of all contributions from that donor.

21A § 1058. Reports; qualifications for filing

A political action committee that is required to register under section 1053 or 1053-B shall file reports with the commission on forms prescribed by the commission according to the schedule in section 1059.

21A § 1059. Report; filing requirements

Committees required to register under section 1053, 1053-B or 1056-B shall file an initial campaign finance report at the time of registration and thereafter shall file reports in compliance with this section. All reports must be filed by 11:59 p.m. on the day of the filing deadline, except that reports submitted to a municipal clerk must be filed by the close of business on the day of the filing deadline.

1. Contents; quarterly reports and election year reports. (REPEALED)

2. Reporting schedule. Committees shall file reports according to the following schedule.

A. All committees shall file quarterly reports:

- (1) On January 15th and must be complete as of December 31st;
- (2) On April 10th and must be complete as of March 31st;
- (3) On July 15th and must be complete as of June 30th; and
- (4) On October 5th and must be complete as of September 30th.

B. General and primary election reports must be filed:

- (1) On the 11th day before the date on which the election is held and must be complete as of the 14th day before that date; and
- (2) On the 42nd day after the date on which the election is held and must be complete as of the 35th day after that date.

C. Pre-election and post-election reports for special elections or ballot measure campaigns must be filed:

- (1) On the 11th day before the date on which the election is held and must be complete as of the 14th day before that date; and
- (2) On the 42nd day after the date on which the election is held and must be complete as of the 35th day after that date.

D. A committee that files an election report under paragraph B or C is not required to file a quarterly report when the deadline for that quarterly report falls within 10 days of the filing deadline established in paragraph B or C.

E. A committee shall report any expenditure of \$500 or more made after the 14th day before the election and more than 24 hours before 5:00 p.m. on the day of the election within 24 hours of that expenditure.

3. Report of expenditures made after the 11th day and more than 48 hours before any election. (REPEALED)

4. Special election reports. (REPEALED)

5. Electronic filing. Committees shall file each report required by this section through an electronic filing system developed by the commission. The commission may make an exception to this electronic filing requirement if a committee submits a written request that states that the committee lacks access to the technology or the technological ability to file reports electronically. The request for an exception must be submitted within 30 days of the registration of the committee. The commission shall grant all reasonable requests for exceptions.


21A § 1060. Content of reports

The reports must contain the following information and any additional information required by the commission to monitor the activities of political action committees:


1. Identification of candidates. The names of and offices sought by all candidates whom the committee supports, intends to support or seeks to defeat;

2. Identification of committees; parties. The names of all political committees or party committees supported in any way by the committee;

3. Identification of referendum or initiated petition. The referenda or initiated petitions that the committee supports or opposes;

 **4. Itemized expenditures.** An itemization of each expenditure made to initiate or influence any campaign, including the date, payee and purpose of the expenditure; the name of each candidate, campaign, political committee, political action committee or party committee supported or opposed; and each referendum or initiated petition supported or opposed by the expenditure. If expenditures were made to a person described in section 1012, subsection 3, paragraph A, subparagraph (4), the report must contain the name of the person; the amount spent by that person on behalf of the candidate, campaign, political committee, political action committee, party committee, referendum or initiated petition, including, but not limited to, expenditures made during the signature-gathering phase; the reason for the expenditure; and the date of the expenditure. The commission may specify the categories of expenditures that are to be reported to enable the commission to closely monitor the activities of political action committees;

5. Aggregate expenditures. An aggregation of expenditures and cumulative aggregation of expenditures to a candidate, campaign, political committee, political action committee, party committee, referendum or initiated petition;

 **6. Identification of contributions.** Names, occupations, places of business and mailing addresses of contributors who have given more than \$50 to the political action committee in the reporting period and the amount and date of each contribution, except that an organization qualifying as a political action committee under section 1052, subsection 5, paragraph A, subparagraph (5) is required to report only those contributions made to the organization for the purpose of influencing a ballot question or the nomination or election of a candidate to political office and all transfers to or funds used to support the political action committee from the general treasury of the organization; and

7. Other expenditures. Operational expenses and other expenditures that are not made on behalf of a candidate, committee or campaign, except that an organization qualifying as a political action committee under section 1052, subsection 5, paragraph A, subparagraph (5) is required to report only those expenditures made for the purpose of influencing a ballot question or the nomination or election of a candidate to political office.

21A § 1061. Dissolution of committees

Whenever any political action committee determines that it will no longer accept any contributions or make any expenditures, the committee shall file a termination report that includes all financial activity from the end date of the previous reporting period through the date of termination with the commission. The committee must dispose of any surplus prior to termination. In the termination report, the committee shall report any outstanding loan, debt or obligation in the manner prescribed by the commission.